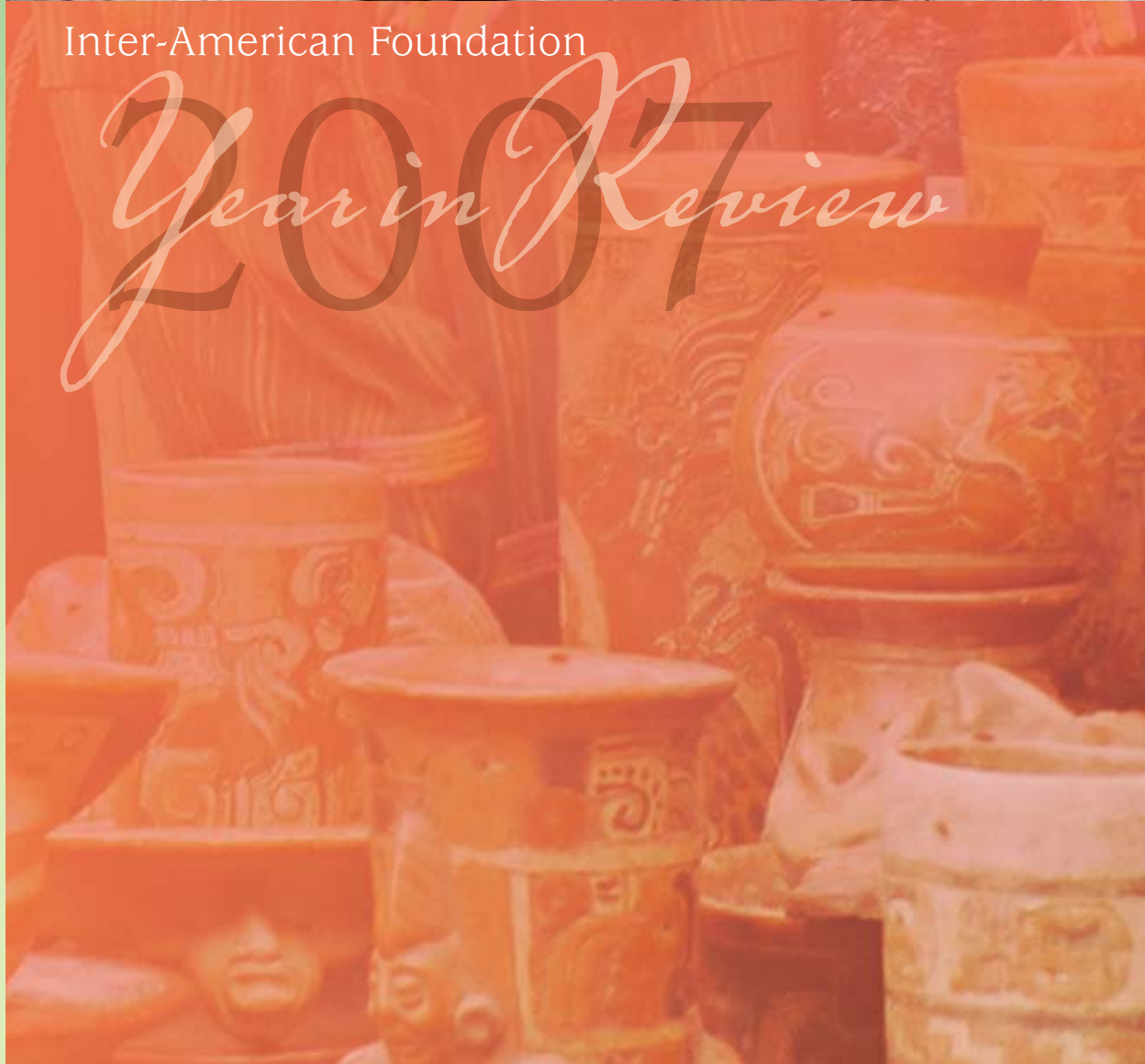




Inter-American Foundation

Year in Review



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Covers: Chichicastenango, famed for its colorful and abundant market, is served by Coordinadora de Asociaciones y Organizaciones de Desarrollo Integral (CASODI), the 2007 Guatemalan grantee profiled on page 27. Photos, upper right on front and back, Sean Sprague; upper left front, Mark Caicedo; other photos, Sebastian Aloor.

MARK CAICEDO



Inter-American Foundation

OCTOBER 1, 2006 TO SEPTEMBER 30, 2007

Publication Editor: **Paula Durbin**
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MARK CAICEDO



Grantee Centro Grupo Juvenil Dion, profiled on page 31, offers skills training to young Hondurans.

The Inter-American Foundation

2007 in Review

The Inter-American Foundation (IAF), an independent foreign assistance agency of the United States government, provides grants for grassroots development in Latin America and the Caribbean. Created by Congress in 1969, the IAF responds to self-help development projects proposed by grassroots groups and the organizations that support them. It also encourages partnerships among community organizations, businesses and local government directed at improving the quality of life for poor people and strengthening democratic practices. To contribute to a better understanding of the development process, the IAF shares its experiences and the lessons it has learned.

The Inter-American Foundation is governed by a board of directors appointed by the president of the United States and confirmed by the U.S. Senate. Six members are drawn from the private sector and three from the federal government. A president, appointed by the board, serves as the Inter-American Foundation's chief executive officer, managing a staff of 47 employees based in Arlington, Virginia.

Congress appropriates funds annually for the Inter-American Foundation. The IAF also has access to the Social Progress Trust Fund administered by the Inter-American Development Bank and consisting of payments on U.S. government loans extended under the Alliance for Progress to various Latin American and Caribbean governments. Since 1972, the IAF has awarded 4,697 grants valued at more than \$614 million. Together, the IAF and its grantees have improved the conditions of hundreds of thousands of poor families in communities throughout the hemisphere.

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BOARD OF DIRECTORS *

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Assistant Secretary of State for Western Hemisphere Affairs
United States Department of State
Washington, D.C.

* On Sept. 30, 2007

Members of AZUCAR performed traditional Afro-Ecuadorian music and dance during the May visit of IAF's board of directors to the 2006 grantee's Quito headquarters.

NICHOLAS KELLEY



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* On Sept. 30, 2007



COURTESY ASUR

*Angela Alata, an ASUR weaver
and local project leader.*

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Paul Lubliner, *Program Staff Assistant, Argentina, El Salvador, Paraguay and Uruguay*

Monica Radwan, *Program Staff Assistant, Mexico, Peru and Venezuela*



Leanarda Condori and Juana Mamani, participants in ASUR's project in Potosí region, briefly described on page 14.

Message from the Chair

MESSAGE FROM THE CHAIR

It was a busy and successful year at the IAF, and I am pleased to share a few of the highlights with you. First, the IAF now has eight directors, all confirmed by the U.S. Senate, the most the Senate has confirmed on any board in the agency's history. The depth and variety of expertise of the new board promise to provide a solid foundation of support for the work of the IAF. I had the pleasure of spending time with the new board members during a visit to IAF-funded projects in Colombia and Ecuador in 2007. By the end of the trip, it was evident that the board members, enthusiastic over what they saw, were eager to roll up their sleeves and get to work.

In the current atmosphere of budget constraints, some might ask if the relatively small grants from the IAF are truly making a difference. I believe they are in two important, interrelated ways. By improving the quality of life of the poor through sustainable grassroots development projects, we also help promote our country's commitment to strengthening democracy throughout the region. Our partnership with many of the most marginalized populations in the hemisphere provides the U.S. government an opportunity to support the poor by enabling them to participate more fully in the development of their communities. By bringing the poor into the economic and civic mainstream, we build stronger foundations for good governance.

NICHOLAS KELLEY



Roger Wallace with Norah Padilla, director of Asociación de Recicladores de Bogotá, a recycling network that benefited from IAF's grant to the Colombian NGO Fundación Corona.

In 2007, the IAF increased its focus on leveraging our resources into long-term, strategic benefits for the poor. Since the agency's inception, its project funding has been matched by more than \$870 million in local resources. In the past couple of years, we have concentrated our efforts on the private sector. RedEAmérica, a network of 55 corporate foundations from throughout Latin America, is dedicated to the same grassroots development approach as the IAF. The IAF was instrumental in the creation of RedEAmérica in 2002 and it has become our primary private-sector partner. Over the past year, we have begun to see a new level of leadership emerge and strategic relationships form among corporate foundations in countries such as Brazil, Colombia, Argentina and Chile.

Nowhere has this corporate leadership been more in the forefront than in Brazil. The IAF is working with the Brazilian private sector to fund projects that encourage partnerships among community organizations, businesses and local governments. These projects emphasize improving the quality of life for poor people, fostering greater economic development and strengthening democratic practices. They include projects that benefit marginalized populations in areas such as microcredit, small-business development, civic participation, education and skills training. Three of Brazil's key RedEAmérica leaders and IAF corporate partners attended the last IAF board meeting and have been instrumental in mobilizing the participation of other foundations.

Another aspect of the agency's work in 2007 that I would like to highlight is its focus on issues of economic and social development in many communities that send migrants to the U.S. and other countries. Our support to grassroots organizations in Latin America and the Caribbean emphasizes income-generation and job creation in poor communities, the lack of which plays a significant role in an individual's decision to migrate. Our grants help build stronger microfinance institutions and offer training and technical assistance for micro- and small entrepreneurs. These programs aim to provide feasible economic alternatives to migration and create and expand opportunities for Latin Americans to remain with their families, earn decent wages and continue to contribute to the development of their home communities.

Over the last several years, the agency has been interested in helping harness remittances in countries of origin for use in community development efforts. The IAF recognizes the significant impact remittances have in many of the communities where we work. We are exploring approaches to channeling some of those resources into development initiatives that extend beyond meeting basic needs of family subsistence and have a long-term, sustainable impact on communities at large.

I am confident that with our new board, the excellent leadership of President Larry Palmer, the talent and dedication of the IAF professionals, and the increasing private- and public-sector interest in our successful grassroots model for sustainable development, the momentum of 2007 is accelerating towards great progress in 2008.



Roger Wallace

As I look back over the last 12 months, it is clear that 2007 was an exceptional year for the IAF. In keeping with our mandate, as a result of IAF support, thousands of people in Latin America and the Caribbean received the skills training necessary to increase their family incomes, benefited from the creation of new jobs, received credit toward income-generating micro- and small businesses, and enjoyed access to clean water, medical attention and enriched nutrition.

My goal in 2007 was to act on the priorities I had developed during my first year on the job: increasing the number of projects the IAF funds and, consequently, the number of beneficiaries we reach. To accomplish this, I undertook a reorganization of the agency early in the fiscal year. The new alignment includes, directly under my supervision, two regional directors, one in charge of the program in Mexico and Central America and the other responsible for the program in South America and the Caribbean. This has eliminated a layer of bureaucracy and allows me to interact more fully with our program staff in the selection of our grantees. The return to basics—grantmaking—resulted in the funding of 65 new projects, a 22 percent increase over last year. As in prior years, the IAF has made a concerted effort to reach the historically marginalized and excluded groups whom we want to bring into the development process and, eventually, into their countries' economic and political life. Toward this end, many 2007 grants were awarded to organizations serving women, African descendants, indigenous communities and persons with disabilities.

Since its inception, the IAF has listened to the voices of the poor. Our funding responds to the most promising ideas in the hemisphere, which we identify through a rigorous process that screens proposals for their likelihood of producing positive change through democratic principles and economic empowerment. The proposals we fund are designed by farmers, urban youths, single mothers and women's associations, among other grassroots groups, who have organized to propose solutions to their problems and put their own resources at risk. These are a far cry from stop-gap policy measures with vague outcomes and hefty budgets that distance the poor from the development process or require expensive experts who study the poor from a distance.

I am well aware that the IAF's priority on more grants and more beneficiaries must be supported by sufficient resources. Therefore, over the past year, we have focused our outreach on the strategic value of the IAF's work to our foreign policy. During the summer, we co-sponsored two Congressional dinners with the Inter-American Dialogue, and I am delighted to report that they attracted more than 20 lawmakers representing both parties in the United States Congress. Chairman Roger Wallace and I therefore had a sterling opportunity to discuss the IAF's work directly with the elected officials whose understanding and support are so crucial to our mission. I am confident that these efforts have won the IAF recognition for our contribution toward improving the quality of life in communities throughout Latin America and the Caribbean. The IAF also hosted distinguished guests interested in partnering with the agency or its grantees to reduce poverty and increase civic participation. Among these visitors were Wendy de Berger, then first lady of Guatemala; Alejandro Toledo, former president of Peru; and Minister of Culture Paula Moreno and Vice Minister of Labor Andrés Palacios of Colombia.

Finally, while great poverty exists in the region, so does great wealth. The IAF continued to encourage socially responsible businesses to channel more resources into grassroots development. The IAF's efforts in this regard include our continuing support of RedEAmérica, a network of 55 corporate foundations committed to the IAF's goal of and approach to sustainable development.

Given the progress made in 2007, I am excited about the IAF's prospects for 2008. Clearly, the demand for foreign aid is great at the grassroots level. We remain committed to delivering it effectively by providing those whose voices are often unheard an opportunity to improve their lives and communities.

Larry L. Palmer
Larry Palmer



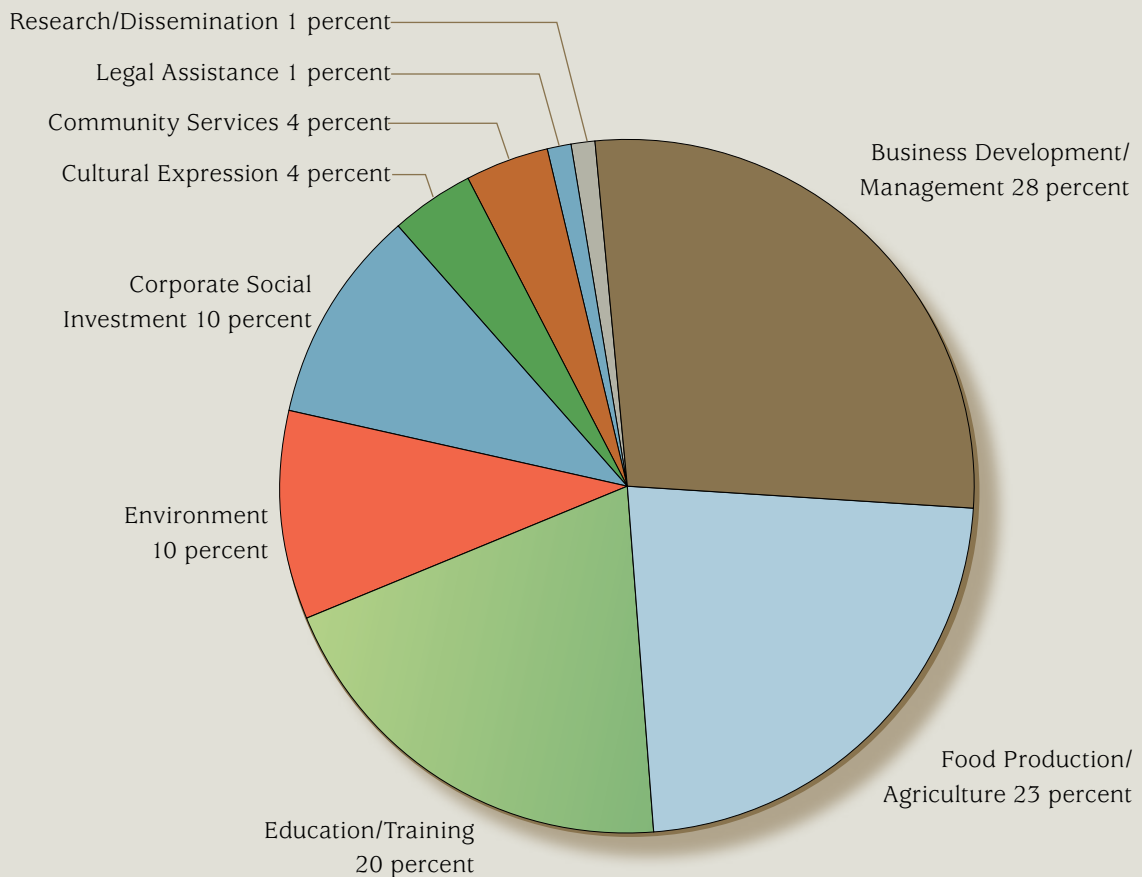
NICHOLAS KELLEY

Ambassador Palmer and members of 2006 Ecuadorian grantee Mujeres de Lucha in Guayaquil.

Grant Program Profile

Fiscal 2007

Primary Program Areas	Funding Actions	Grant Value	Percentage of Total
Business Development/Management	25	\$ 4,006,873	28
Food Production/Agriculture	22	3,333,445	23
Education/Training	23	2,836,994	20
Environment	8	1,460,104	10
Corporate Social Investment	5	1,430,344	10
Cultural Expression	4	513,020	4
Community Services	3	506,007	4
Legal Assistance	2	188,720	1
Research/Dissemination	1	114,880	1
Fiscal 2007 Total	93	\$14,390,387	100%



Financial and Statistical Report

Investment by Country

Country	Fiscal 2007		
	New Grants	Grant Supplements	Grant Value*
Anguilla			
Antigua & Barbuda			
Argentina	4	3†	875
Bahamas			
Barbados			
Belize			
Bolivia	4	3	1,123
Brazil	7†	4	1,836
Chile			
Caribbean Region			
Colombia	5†	1†	1,397
Costa Rica			
Dominica			
Dominican Republic	1		150
Ecuador	6	2	1,588
El Salvador	6		964
Grenada			
Guatemala	6		1,039
Guyana			
Haiti		1	48
Honduras	5		989
Jamaica			
Latin American Region			
Mexico	3	3	446
Montserrat			
Netherlands Antilles			
Nicaragua	8	2	1,743
Panama	3	4	440
Paraguay			
Peru	7	5	1,752
St. Kitts & Nevis			
St. Lucia			
St. Vincent			
Suriname			
Trinidad & Tobago			
Turks & Caicos			
Uruguay			
Venezuela			
TOTALS	65	28	14,390

Totals for 1972-2007	
Grants	Total Value*
1	3
8	507
229	30,200
7	144
11	925
78	3,959
265	35,944
378	48,892
262	43,458
62	7,308
309	41,990
217	15,197
75	2,282
228	23,281
191	30,346
200	33,040
17	540
185	28,430
7	294
130	14,006
157	24,486
67	4,080
134	12,724
347	53,180
1	3
2	126
179	32,010
203	25,830
144	17,838
270	47,332
6	541
12	696
12	746
3	347
14	949
2	12
132	17,533
152	15,599
4,697	614,778

* Investment is indicated in thousands of dollars.

† Includes RedEAmérica program.

ARGENTINA

New Grants

Asociación Civil Lola Mora (ALM), \$33,800 over one year

ALM will work closely with the Asociación Civil Ferizama (Ferizama) in Buenos Aires to plan the conversion of the Parque Lezama street market for used goods into a producers' market. They will identify vendor skills and interests, conduct market studies to ascertain the best goods to produce, define appropriate training, and strengthen the management structure of Ferizama. (AR-346)

Coopsol Ltda. (Coopsol), \$244,968 over three years

Coopsol will form an export consortium with other producers in Santiago del Estero to market organic and nonorganic Fair-Trade honey. It will improve and expand training and technical assistance in beekeeping for low-income youths, provide credit for business start-up and expansion, and upgrade the extracting plant. (AR-347)

Asociación Civil Raices (Raices), \$60,662 over one year

Raices will work with three cooperatives in the city of Cordoba to offer training and meaningful employment to adults and young people, to professionalize waste collection and recycling, and to teach the benefits of recycling to residents in 50 neighborhoods. (AR-348)

Fundación Solidaridad (FS), \$203,940 over three years

FS will improve the food security of farm families in northern Mendoza and their direct access to markets by reducing the role of the middleman and diversifying outlets. The project will benefit 520 farmers and approximately 2,900 family members. (AR-349)

Supplemental Grants*

Fundación Vida Silvestre Argentina (FVSA), \$52,900

FVSA will train 120 farmers and their families in Colonia Andresito, Misiones, in cooperative management and marketing, and will purchase equipment for a bottling plant, including sterilization machinery and a computer. (AR-336-A4)

Centro de Iniciativas para el Desarrollo Local "La Chozza" (La Chozza), \$45,090

La Chozza will train approximately 150 NGO employees, municipal officials and community leaders, including youth leaders, in its program to form local development promoters. (AR-337-A2)

GABRIELA BOYER

* Supplemental grants are for one year unless otherwise indicated. Only those for more than \$10,000 are listed in this report

A Sidewalk Market Comes into Its Own

After Argentina's economy shrank by more than 10 percent in 2001 and its currency lost nearly three-quarters of its value, a variety of creative alternatives emerged to cope with the crisis. Among these were markets improvised by vendors, many of whom had suddenly found themselves unemployed, as a place to sell clothes, tools, shoes, books and antiques, among other merchandise. One of the largest of these converged at Parque Lezama which borders a working-class neighborhood in Buenos Aires, where most residents had become jobless due to the crisis.

In 2005, the government of the city of Buenos Aires prohibited this use of the public sidewalks, and, in response, the vendors from Parque Lezama formed the Asociación Civil Ferizama (Ferizama) with the help of **Asociación Civil Lola Mora** (ALM), a nongovernmental organization founded in 1989 to strengthen groups working to improve the status of women. As Ferizama, the vendors developed schedules, security and clean-up policies, and rules for membership. The city then decided to allow their market to operate on the condition that they make the transition from dealing in second-hand goods to selling merchandise supplied directly by the producers.

ALM, which had formally studied the sidewalk market in 2003, will coordinate with Ferizama to develop a design for this conversion, working with the vendors to identify their major product areas, draft business plans and determine the vendors' role in organizing the market as well as the role of Ferizama in managing the site.

IAF's grant to ALM will support preliminary activities, training, travel, administration, dissemination and honoraria. The municipal government's Office of Nonformal Education will provide Ferizama members training in consensus-building and conflict resolution. A final study, in collaboration with the Instituto Nacional de Tecnología Industrial, will evaluate the viability of the undertaking. ALM and Ferizama will develop and apply a communications strategy, including a newsletter, to generate an exchange of ideas among the vendors. Results of this planning grant will provide a broader understanding of Ferizama's challenges and opportunities.

—Gabriela Boyer, Foundation representative

GABRIELA SBARRA



New Grants

Instituto de Lengua y Cultura Aymara (ILCA), \$332,979 over three years

ILCA will improve the skills, earnings, self esteem, cultural pride and the participation in the tourist market of 300 weavers, mostly women, and llama herders from grassroots organizations in four indigenous municipal districts around Challapata, Oruro. The grantee will also develop INFOTAMBO, a center for revitalizing Andean cultural resources and tapping into markets for weavings and tourist-related services, including via the Internet. (BO-505)

Fundación Taller de Iniciativas en Estudios Rurales y Reforma Agraria (Tierra), \$172,600 over two years

Tierra will test and improve a methodology to give greater legal protection to interests in land and solve and reduce land disputes, while consolidating fragmented holdings into larger, more productive units in the central and northern altiplano minifundia sub-regions. Working with the government land-reform agency and community organizations, the grantee will enable some 3,000 families from 50 communities to accelerate the steps leading to land titling. (BO-506)

Protección del Medio Ambiente de Tarija (PROMETA), \$370,000 over three years

PROMETA will benefit families in 29 communities of the altiplano region of the department of Tarija by improving llama production and marketing and the stewardship of prairie lands; by undertaking reforestation; and by encouraging the use of traditional medicine. The regional government is contributing significant funding to the project. (BO-508)

Asociación de Mujeres Aymaras Lecheras de Irpa Chico (AMALIC), \$118,500 over three years

AMALIC will expand and modernize its small dairy enterprise and offer training in administration, livestock and pasture management, and in processing and marketing dairy products. Aymara women farmers from 70 households of the Bolivian altiplano will benefit from better family incomes and children will benefit from AMALIC products supplied to school breakfast programs. (BO-508)

Supplemental Grants

Asociación de Artesanos Andinos (AAA), \$13,040

AAA will fund employee benefits in compliance with local law. (BO-497-A1)

Centro de Capacitación y Formación para Mujeres (CCIMCA), \$102,460 over two years

CCIMC will strengthen the Foro Ciudadano Municipal de Mujeres (AMUPIE) by incorporating additional women's organizations. It will engage husbands in training programs targeting a more gender-sensitive society and political culture, and will open a legal services and counseling center for victims of domestic violence and rape. (BO-490-A3)

Fundación para la Investigación Antropológica y el Etnodesarrollo "Antropólogos del Surandino" (ASUR), \$14,000 over four months

ASUR will train and extend technical assistance to 243 artisans from 11 communities in the mountainous Potosí region so they can consolidate gains in product development and marketing. (BO-489-A2)





ELVIRA ESPEJO

Opportunities from Traditional Textiles and Tourism

Textiles were vital to pre-Colombian Andean societies, functioning as currency, communication devices, status symbols, clothing and art. The disappearance of many exceptional patterns and techniques from this rich tradition is among the great losses suffered by indigenous communities in recent times. Although the Aymara and Quechua peoples constitute most of the majority-indigenous population of rural Bolivia, they are among its most impoverished and least educated citizens. Eking out a living through subsistence farming or as herders, many feel compelled to leave their communities and migrate to urban areas in search of employment.

Through its decades of support, the IAF has played a pioneering role in the recovery of Andean textile traditions to generate income, foster networking and instill ethnic pride among indigenous communities, while earning them the respect of the rest of society. IAF grantee **Instituto de Lengua y Cultura Aymara** (ILCA) shares these goals. Founded in 1972 by Aymara linguist Juan de Dios Yapita to address educational needs in his native altiplano region, ILCA first focused on bilingual education, but has since expanded its work into health services, textile and agricultural production, and communication technology. Its leaders have authored important books on contemporary Andean cultural practices. ILCA defines its mission as furthering economic and social development emphasizing cultural identity.

ILCA will use its IAF grant to train low-income weavers and herders in five indigenous districts in the municipality of Challapata and to construct the INFOTAMBO, a cultural center that will include facilities for textile production and distribution, dissemination, and for lodging and a restaurant. Its grassroots strategy will focus on linkages between the wool producers, weavers and sales outlets, and on the development of new products for the tourist market. ILCA has been working with these communities since 2000 and, through this project, will continue to build upon their progress in dyeing and weaving, camelid production, business management, computer skills, traditional dance and music, and leadership. ILCA will develop a Web site accessible in Aymara, Quechua, Spanish and English as well as a database of indigenous designs and garments. The INFOTAMBO to be built in Challapata, a town located along the tourist route but not yet a stop, will offer visitors the opportunity to purchase textiles, sample traditional foods and stay overnight to experience other aspects of Andean culture and folklore.—Theresa Logan, program staff assistant

New Grants

Associação Resgate (AR), \$35,000 over one year

AR will design and test a program of training in sewing, embroidery, knitting, crocheting and “fuxico” needlework for approximately 40 low-income women in Favela Polêmica on the outskirts of Salvador, Bahia. Activities will focus as well on strengthening AR’s institutional capacity to identify and plan participatory projects. (BR-834)

Centro Nordestino de Medicina Popular (CNMP), \$316,000 over three years

CNMP will undertake a project to reduce health care risks, increase civic participation, encourage social accountability and develop alternative income-generation activities in 24 municipalities in the states of Pernambuco, Paraíba and Rio Grande do Norte. (BR-835)

Associação Comunitária dos Recicladores e Grupos Produtivos do Barreiro e Região (ARGRUP), \$97,000 over two years

ARGRUP will involve small community-based groups and unemployed workers in the collection of solid waste from streets, homes and businesses. It will conduct a training program, purchase and install equipment, and prepare audio-visual materials to encourage recycling. The project will directly benefit 80 men and women of Vila Corumbiara and three adjacent communities of Barreiro, an administrative district of Belo Horizonte, and will indirectly benefit 6,000 other residents. (BR-836)

Associação Amazon Paper (AP), \$344,000 over three years

AP will develop and consolidate a production chain to benefit small-scale farmers, artists, craftspeople and the urban unemployed in Pará, including African descendants, youths and women, by creating jobs, improving their income and strengthening the five organizations to which they belong. AP produces paper and paper crafts by combining Japanese techniques with traditional Amazon fiber- and dye-processing—which also promotes the biodiversity and the sustainable use of natural resources in the Amazon region. (BR-837)

Ação Comunitária do Espírito Santo (ACES), \$150,000 over two years

ACES will involve almost 1,000 youths, aged 14 to 24, in its project aimed at strengthening the social and cultural fabric of 13 communities in the municipality of Cariacica, Espírito Santo. Its activities will support the recovery of cultural traditions, promote school attendance, reduce youth violence and attract revenue. (BR-838)

Sociedade Amigos de Iracambi (Iracambi), \$295,500 over three years

Iracambi will facilitate dialogue among farmers, conservationists, miners and government decision-makers affected by a proposal for extracting bauxite from a highly sensitive conservation area in Minas Gerais. Its goal is to achieve the best outcome for residents of the affected communities by redefining power relationships through capacity-building and education. (BR-839)

Supplemental Grants

Centro Diocesano de Apoio ao Pequeno Produtor (CEDAPP), \$91,952

CEDAPP will help approximately 230 families in 10 rural communities in Pernambuco create cooperatives and other enterprises as a means to enter the formal economy. Funds will finance dissemination, training, salaries, technical assistance and fuel. (BR-815-A3)

Obras Sociais da Diocese de Imperatriz (OSDI), \$55,969 over three years

OSDI requires additional funds for salaries and repairs. Financial difficulties in the archdiocese have resulted in a reduction in its counterpart contribution, which the communities served will partially compensate with an increase in their own contribution. (BR-829-A1)

Ação Comunitária do Brasil (ACB), \$90,000, over 18 months

ACB will contract specialized professionals, produce a narrative on the ACB-IAF partnership and expand program offices. (BR-807-A2)



COURTESY AP

Responsible Papermaking: Biodiversity and Income

Brazil's Amazon region is home to the world's largest remaining rainforest and to half of the world's plant and animal species. About one-fourth of this natural treasure is located in the state of Pará, where the Amazon River is fed by a vast network of tributaries that hold 8 percent of the world's fresh water. Recently, uncontrolled urbanization, ranching, farming, logging and squatting have made deforestation a serious concern. So is the extreme poverty plaguing almost half of Pará's population of 2.7 million. Can preserving the rainforest's rich biodiversity benefit these poor Brazilians?

Associação Amazon Paper (AP) was founded five years ago as a project of the former IAF grantee Action Nucleus for Sustainable Development (POEMAR), an organization created by the Federal University of Pará to support sustainable development. Rather than destroy trees, AP artisans handcraft paper from other indigenous resources, such as leaves and flowers, and from recyclables. Using an adapted form of *washi*, a traditional Japanese process free of chemicals and synthetic additives, they turn out 13 varieties of paper for use as stationery and in commercial printing as well as more than 20 paper-based products for home and office, including picture frames, lamps and *shoji* screens.

With the IAF's support, AP will bring into the paper production chain more than 100 farmers, artists and craftspeople from five organizations, and unemployed residents in urban zones, among them African descendants, women and youths. Associations of small-scale producers will cultivate the plants used for fiber and dye while rural craftspeople fashion value-added materials for finishing the products to be marketed by AP. Beneficiary income is expected to grow at least 20 percent, boosting earnings to above the poverty line.

The Japan International Development Cooperation Agency has trained AP workers in Pará and Japan. The International Finance Corporation has helped AP with production and sales, including through the IFC's Washington-based Pangea Artisan Market promoting grassroots artisans and sustainable trade. Fundação Banco do Brasil has funded "curauá" seedlings for fiber. AP's output has grown from 300 sheets of paper and 500 products per month to 4,000 sheets of paper and 7,000 products. Revenues cover 51 percent of costs, up from 10 percent in 2002, and, with IAF's support, AP should reach financial sustainability in three years. Thanks to its diverse partnership, AP is transforming a social initiative into a market-oriented enterprise that provides steady jobs and needed income—and doing it in a manner that is environmentally sound. —*Miriam Euclides Brandão, Foundation representative*

C O L O M B I A

New Grants

Federación Nacional de Organizaciones No Gubernamentales para el Desarrollo de las Comunidades Afrocolombianas (FEDEAFRO), \$114,880 over two years

Using the 2005 Colombian census, FEDEAFRO, will conduct research into unmet basic needs in low-income Afro-Colombian and indigenous communities in Cali, Buenaventura and various municipalities in the department of Nariño, and their requirement for a higher allocation of public resources for social services. The project includes production of various monographs comparing the selected zones and training for Afro-Colombian and indigenous students as researchers. (CO-508)

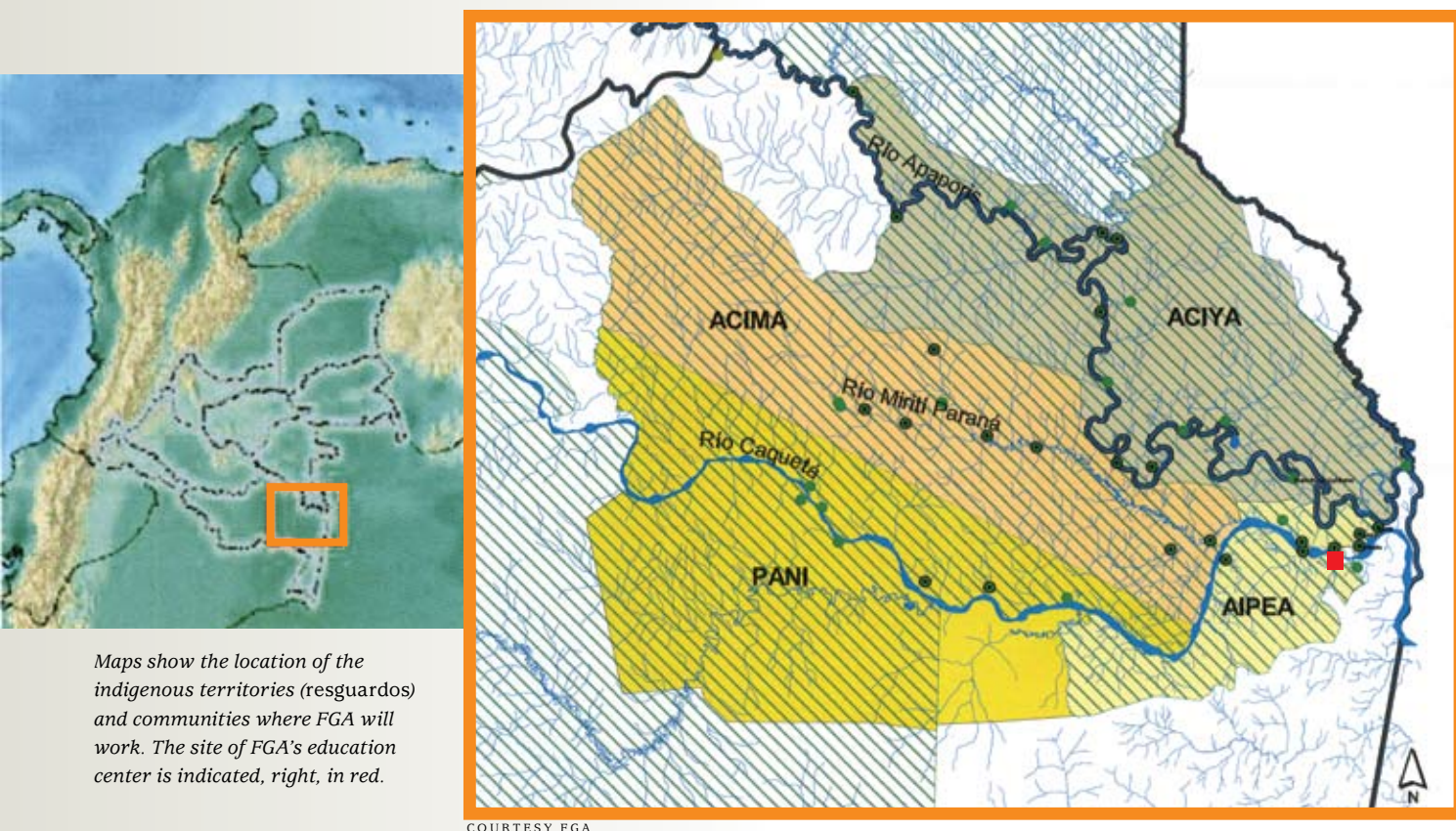
Fundación Gaviota (FUNGA), \$264,275 over two years

FUNGA will offer training, technical assistance and credit to 60 farmers producing sugar cane and processing it into organic *panela*, or evaporated molasses, thereby improving their market participation, income, and processing technology, and enabling them to contribute toward the conservation of natural resources on their farms. (CO-509)

Fundación Gaia Amazonas (FGA), \$181,400 over two years

FGA will work with teachers to improve the quality, relevance and cultural appropriateness of the bilingual and bicultural education offered to 650 indigenous Yucuna, Matapi, Tanimuka, Letuama, Macuna and Mirana children from 23 geographically isolated schools in the Amazonas department of southeastern Colombia. (CO-510)





Maps show the location of the indigenous territories (*resguardos*) and communities where FGA will work. The site of FGA's education center is indicated, right, in red.

COURTESY FGA

Bilingual Education and Indigenous Rights

Colombia's 1991 Constitution includes arguably the most expansive recognition of the inherent sovereignty of indigenous peoples in all of Latin America. It provides for self-government for the indigenous territories known as *resguardos* and for the transfer of government funds to indigenous authorities for use in administering culturally appropriate health, education and social programs. The exercise of these rights, however, has often been problematic. After centuries of marginalization, these communities often lack the resources and know-how to manage government funds and develop new programs. Efforts are also hindered in areas plagued by the country's long-standing armed conflict and drug trafficking.

Fundacion Gaia Amazonas (FGA) is a nongovernmental organization whose mission is to promote the conservation of the Amazonas department's vast ecological resources and cultural diversity, and to further grassroots development among its indigenous population. For more than 15 years, FGA has effectively accompanied indigenous communities in Amazonas through Colombia's decentralization process in their efforts to enforce relevant constitutional provisions. FGA has assisted in obtaining community title to more than 21 million hectares of *resguardo* land and strengthened the administrative skills of the 17 local indigenous governing authorities, Asociaciones de Autoridades Tradicionales Indigenas, that manage these tropical-forest-based economies. FGA has also played a significant role in ensuring that the area's indigenous schools meet the Colombian government's certification standards by providing training for teachers and facilitating the development of bilingual curricula as mandated under the Colombian Constitution.

With its IAF grant, FGA will assist more children by training teachers from 23 additional schools located throughout seven *resguardos*, and by helping their indigenous communities shape a curriculum that incorporates their language, culture and practices as well as the mainstream skill-set necessary for productive and active roles in Colombian society. The grantee also aims to identify "best practices" in bilingual and bicultural schooling through working groups of teachers that will evaluate the process in which they are participating.—Theresa Logan, program staff assistant

DOMINICAN REPUBLIC

New Grant

Movimiento Socio Cultural para los Trabajadores Haitianos (MOSCTHA), \$150,470 over two years

MOSCTHA, in collaboration with local NGOs, will provide training toward the creation of a network of microcredit committees that will extend credit at low interest via a revolving loan fund to approximately 200 women, most of whom are of Haitian descent, residing in three *bateyes* originally built to house plantation labor. (DR-335)



JENNY PETROW

Toward Economic Independence in the Bateyes

The word *batey* has become synonymous with the plight of one of the most disenfranchised groups in the Americas: Haitian immigrants and their descendants in the Dominican Republic. The *bateyes*, housing originally intended for Haitian sugar cane workers and now among the country's worst slums, are often isolated and lack medical facilities, schools, running water and sanitation. Although associated with migrants, they are home to many poor Dominicans as well, including those of Haitian descent. The situation is desperate for all *batey* residents, but it is especially tough for those identified as Haitians because of longstanding, racially-charged tensions between the two countries of Hispaniola. Dominican-born children and grandchildren of Haitians are often refused the proof of Dominican citizenship necessary to access education and public services. Such individuals, whether residents of *bateyes* or other communities, continue to live on the fringes of society.

IAF support is reaching the *bateyes* for the first time through a grant to ***Movimiento Socio Cultural para los Trabajadores Haitianos*** (MOSCTHA) for a microcredit program. MOSCTHA has worked for more than 20 years in *bateyes* and other marginalized neighborhoods. Many of its staff are Haitian or children of Haitians and speak Spanish, Creole and *creoñol*. MOSCTHA is one of the few organizations that have won trust in the *bateyes* but its commitment is not confined to them. It is open to engagement with all people, regardless of race or nationality, in its activities related to health, education, human rights and the environment.

With funding from the IAF, MOSCTHA will develop a network of women organized into microcredit committees in three *bateyes* in Monte Plata, in the Eastern Dominican Republic. Collaborating in the project to help the women move toward economic independence are Plan International, Instituto de Formación Agraria y Sindical (INFAS), Colectif Mujer y Salud, Escuela Nacional de Educación en Cooperativa (ENECOP) and Centro de Servicios Legales para la Mujer (CENSEL), an IAF grantee serving victims of domestic violence. MOSCTHA and its partners will train borrowers in accounting, business and financial management, women's rights and in how to form and run a cooperative. The importance of savings will be emphasized. With MOSCTHA's initial support and oversight, each *batey* credit committee will manage its own revolving fund, extending low-interest loans to approximately 200 women. By the project's end, loan funds will be administered by beneficiaries for beneficiaries.—*Jenny Petrow, Foundation representative*



New Grants

Fundación de Agroecología y Agroturismo (AGRECO), \$347,520 over three years

AGRECO will work with approximately 400 African descendent and mestizo families in the Ambuquí Valley to improve food security and nutrition, agricultural practices and crop sales. (EC-401)

Fundación Internacional para la Promoción del Desarrollo Sostenible “Futuro Latinoamericano” (FFLA), \$240,860 over two years

FFLA will collaborate with La Cooperativa de Pesca Artesanal “Horizontes de Isabela” (COPAHISA) on activities that will strengthen COPAHISA’s contribution to the economic, social and environmental future of Isabela Island in the Galapagos. (EC-402)

Fundación para el Desarrollo y la Creatividad Productiva (FUNDES), \$261,000 over two years

FUNDES will foster community development projects through training, technical assistance and sub-grant funds for at least 50 grassroots groups and community organizations in the province of Manabí. (EC-403)

Fundación Salud Integral y Desarrollo Comunitario (SIDECO), \$154,320 over three years

SIDECO will address the health concerns of approximately 7,000 individuals by training at least 55 promoters in traditional indigenous medicines and health care practices; by furthering the cultivation and processing of the essential plants; and by publishing a book in Quichua and Spanish, with an oral format available. (EC-404)

Cámara Artesanal de Esmeraldas (CADE), \$86,400 over two years

CADE will study the market for handicrafts and offer access to a loan fund, thereby helping approximately 450 African descendent artists in the province of Esmeraldas improve their production and sale of Afro-Ecuadorian arts and crafts. (EC-405)



COURTESY FFLA

Fundación para la Tecnología y el Desarrollo Latinoamericano-Ecuatoriano (FTDE), \$389,750 over two years

FTDE will assist 600 families from 30 Afro-Ecuadorian and mestizo communities in the Mache Chindul Ecological Reserve and its buffer zones in launching and operating micro-enterprises. (EC-406)

Supplemental Grants

Escuela de Ciudadanía (EDC), \$68,798

EDC will develop and conduct educational campaigns to promote its achievements and will offer additional technical assistance to the 29 sports leagues currently participating in its project, as well as reach out to approximately 15 other leagues to include in its training. (EC-387-A3)

Corporación Ecuatoriana para el Desarrollo de los Recursos Naturales (CEDERENA), \$40,000

CEDERENA will design and conduct evaluation and monitoring in the 10 municipalities applying the Payment for Environmental Services Program. (EC-389-A2)

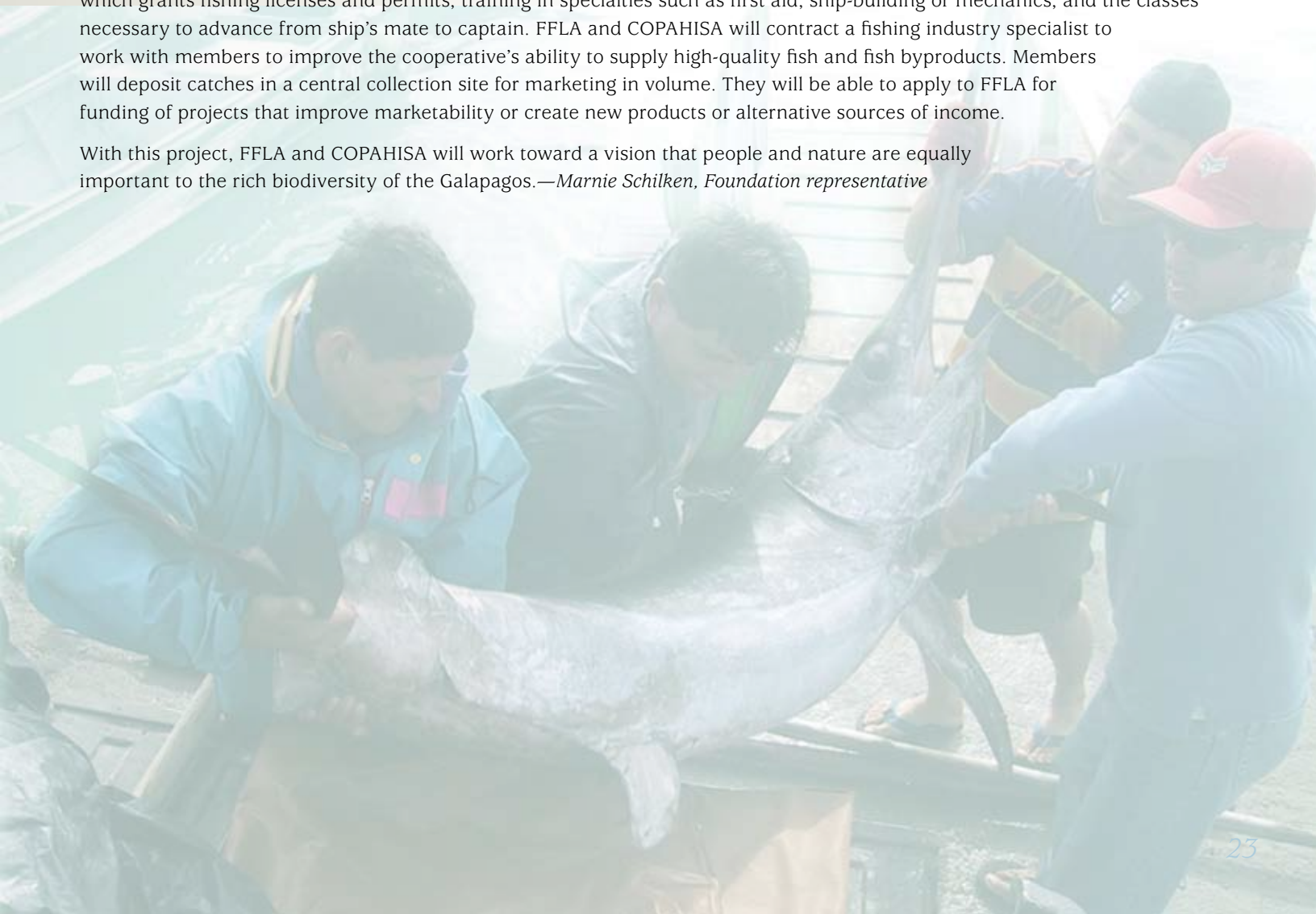
Angling for Opportunities in the Galapagos

The Galapagos Islands, situated on the equator about 1,000 kilometers from the coast of Ecuador, received their most distinguished visitor in 1835, when Charles Darwin arrived on board the H.M.S. Beagle to spend five weeks studying their stunning biodiversity. Today, nearly two centuries after Darwin's visit, the challenge is to protect the changing eco-system by balancing human needs with the conservation of flora, fauna and marine life. Most donor funding is channeled to conservation projects on Santa Cruz and San Cristobal, the most populated of the archipelago's 14 major islands and more than 120 islets. Few donors support development benefiting the islands' people.

Fundación Internacional para la Promoción del Desarrollo Sostenible Futuro Latinoamericano (FFLA) wants to change that. Founded in 1993, FFLA nurtures leadership, develops dialogue and generates long-term visions. In 2004, after facilitating a negotiation session attended by delegates from the tourism and fishing industries, national park, voluntary organizations and government agencies, FFLA began working with the Cooperativa de Pesca Artesanal Horizontes de Isabela (COPAHISA) on Isabela, the largest but least inhabited island in the Galapagos. The expansion of its airport to accommodate 70-passenger planes from five airlines is bringing a greater influx of tourists to Isabela but few benefits to residents as most revenue accrues directly to travel agencies headquartered on the continent. COPAHISA members and FFLA have designed a project to respond to local concerns.

FFLA and COPAHISA fishermen will use IAF funding to improve the cooperative's functioning, enable members to draft business plans to collect, process and market products better, and fund projects and education. In addition to workshops and classes on small-business and credit management, and on interacting with the seafood, tourism and transportation industries as well as civil society, among other topics, FFLA will offer technical assistance to fishermen and their families. It will administer a loan fund financing educational endeavors such as courses required by the International Maritime Organization, which grants fishing licenses and permits; training in specialties such as first aid, ship-building or mechanics; and the classes necessary to advance from ship's mate to captain. FFLA and COPAHISA will contract a fishing industry specialist to work with members to improve the cooperative's ability to supply high-quality fish and fish byproducts. Members will deposit catches in a central collection site for marketing in volume. They will be able to apply to FFLA for funding of projects that improve marketability or create new products or alternative sources of income.

With this project, FFLA and COPAHISA will work toward a vision that people and nature are equally important to the rich biodiversity of the Galapagos.—*Marnie Schilken, Foundation representative*



New Grants

Asociación de Comunidades Campesinas Angel María (ACCAM), \$254,500 over two years

ACCAM will improve the income of about 85 farmers and 170 laborers in the community of Acachapa, department of Sonsonate, through training and technical assistance in the production and marketing of *loroco*, a wild vine native to El Salvador that produces edible flower clusters used primarily in *pupusas*, stuffed corn tortillas. The harvest will be processed, packaged and sold locally or exported. Consumption of *loroco* will be encouraged to improve the local diet. (ES-223)

Fundación Museo de la Palabra y la Imagen (MUPI), \$240,532 over three years

MUPI will educate approximately 10,000 youths in metropolitan San Salvador and rural areas in the social and cultural history of El Salvador through a series of films, publications, and exhibits and other cultural events. It will work with public school teachers and community leaders in developing its programs. MUPI will also consolidate museum operations and access to archival materials through professional training and improved technology. (ES-224)

Asociación Comunal de Mujeres de Morazán (ACMM), \$35,000 over six months

ACMM will conduct a training program to engage its staff, board and members in strengthening the organization and identifying an economic development strategy for communities in northern Morazán. Fundación Promotora de Productores y Empresarios Salvadoreños (PROESA) will provide technical assistance. (ES-225)

Federación de Cooperativas de la Reforma Agraria (FECORACEN), \$253,190 over two years

FECORACEN will work with its member cooperatives to develop 13 women-led micro-enterprises in six communities, directly benefiting at least 100 entrepreneurs. Another 670 community residents will benefit indirectly from the small businesses. (ES-226)

Asociación Agropecuaria Salvadoreña (AGROSAL), \$150,000 over two years

AGROSAL will work with 40 farmers in four communities in the municipalities of Ahuachapán and Tacuba to promote agricultural production that will improve nutrition and increase income. More than 200 residents will indirectly benefit. (ES-227)

Asociación Pro-Búsqueda de Niños y Niñas Desaparecidos (Pro-Búsqueda), \$30,400 for one year

Pro-Búsqueda will assess the needs and abilities of young people who went missing during El Salvador's civil war and were later reunited with their biological families. The information will be used to draft a plan to prepare 100 such individuals to work in micro- and small enterprises. The project will indirectly benefit 500 family members. (ES-228)

Better Income from Loroco

A *sociación de Comunidades Campesinas Angel María* (ACCAM), a farmer organization headquartered in San Salvador, has been working since 1993 to improve economic conditions in five municipalities of the departments of La Libertad and Sonsonate through agricultural programs. These coastal municipalities are characterized by the absence of basic infrastructure and by education and health levels far below those of urban areas.

The IAF first collaborated with ACCAM in 2000 when the grantee set up a credit fund in the municipality of Santa Isabel Ishuatán, Sonsonate and helped 1,600 farmers there produce and market corn. Civil society organizations, the municipal government and the Salvadoran Ministry of Agriculture's Centro Nacional de Tecnología Agropecuaria (CENTA) contributed to the success of this project that resulted in improved subsistence farming. Later, with support from CENTA, ACCAM tested the feasibility of growing *loroco*, a wild vine native to El Salvador, in Sonsonate. After demonstrating that the plant grew well, ACCAM undertook a pilot project, funded by the United Nations Development Programme, to train farmers to diversify their crops by planting *loroco*, whose edible flower clusters are used in soups and *pupusas*, traditional Salvadoran stuffed corn tortillas.

With its new IAF grant, ACCAM will enter a second phase in Santa Isabel Ishuatán, helping families move away from subsistence farming by growing *loroco*. At the same time, ACCAM will encourage consumption of this source of calcium and protein. Of the 85 individuals who will be trained in soil preparation, production, harvest and post-harvest management, and cooking with *loroco*, nearly half are women and many are young adults. The farmers, most of whom own their parcels, will each contribute the use of their land for growing *loroco*; working together they hope to harvest 100,000 pounds a year.

Other partners in the project are CENTA and PROAGRO, a fertilizer company, which will provide technical training and supplies. The Italian government's foreign assistance agency will finance a new capital fund. IAF's award will be used to reconstruct a processing plant destroyed in the 2001 earthquake, to market *loroco* for export and create a working capital fund that will enable ACCAM to pay farmers immediately after the harvest. ACCAM plans to retain 10 percent of the profit from crop sales to invest in its *loroco* operations and, eventually, in a local development fund financing small infrastructure projects overseen by a committee of community members and municipal staff. The distribution of the remaining profits to farmers would boost their average monthly income six-fold.— *Jessica Bremner, program staff assistant*



COURTESY ACCAM



New Grant

Loq' Laj Ch'och' (Sagrada Tierra), \$78,744 over two years

Sagrada Tierra will generate job opportunities and improve the income of 60 indigenous women and their families in the community of Boloncó. Beneficiaries, all members of the Asociación Mujer Maya Asuman (AMMA), will receive training in bread-making and sewing, business organization and administration, and marketing. Once the training is completed, they will have access to start-up materials and funds for a bakery and sewing business. (GT-282)

Asociación Coordinadora para el Desarrollo Integral del Valle de Palajunoj (CDIVAP), \$148,055 over three years

CDIVAP will generate job opportunities and improve the income of 250 indigenous women and senior citizens in 10 communities of Valle de Palajunoj through the establishment of 12 community banks. Beneficiaries will have access to microcredit as well as training and technical assistance in developing and managing the banks and their own small businesses. (GT-283)

Asociación de Productores de Cacao del Sur Occidente de Guatemala (APROCA), \$16,120 over six months

APROCA will use its grant to file for legal status, develop a strategic plan and offer workshops aimed at strengthening the ability of the organization to pursue its mission of recovering the quality of the cacao cultivated by its members in the 1990s, before massive fumigation and the suspension of government programs caused the crop to deteriorate and production to decline. (GT-284)

Asociación de Desarrollo Agrícola y Microempresarial (ADAM), \$342,553 over three years

ADAM will promote business development and investment that generate job opportunities and improve the income of approximately 500 farm families in up to 10 community associations in the departments of Sololá and Quetzaltenango. It will offer training and technical assistance in agricultural techniques, business development, investment plans and marketing. (GT-285)

Coordinadora de Asociaciones y Organizaciones de Desarrollo Integral (CASODI), \$269,305 over three years

CASODI will offer training, technical assistance and working capital toward the development of community-based businesses and other activities to generate jobs providing alternative sources of income in Chichicastenango. In Patizté, CASODI will conduct a participatory assessment of the municipality along with a series of workshops to encourage community involvement in local development decisions and in drafting an integrated municipal development plan. (GT-286)

Coordinadora Regional de Comités para el Desarrollo Integral Ambiental Tikonel (Tikonel), \$183,995 over three years

Tikonel will generate job opportunities for and improve the income of approximately 225 indigenous women involved in handicraft production in three communities in the municipality of San Martín Jilotepeque. The grantee will offer training, technical assistance, access to a credit fund and business development activities. Tikonel will also manage a scholarship fund to enable 25 girls to complete elementary school. (GT-288)

Community Development in Post-Conflict Quiché

Guatemala's 1996 Agreement on a Firm and Lasting Peace (the Peace Accords) contained several provisions addressing the concentration of power of a traditionally authoritarian state as well as the delivery of public services, economic development and poverty reduction. After 36 years of civil war, it was obvious that government had to be more inclusive, participatory and transparent. To encourage grassroots development and civic participation, the legislature enacted the Law of Decentralization, the Law for Urban and Rural Development Councils, and the Municipal Code. Unfortunately, due to a lack of political will, resources and public awareness, enforcement has been slow, and in some areas the laws have been ignored.

According to Guatemala's Commission for Historical Clarification, Quiché was the department that suffered most from serious human rights violations during the hostilities. Most of the victims of registered human rights violations and violence were Mayan, and, of them, many were of Quiché ethnicity. Genocide effectively eliminated Quiché community leaders and destroyed the group's social and cultural fabric.

Chichicastenango was among the Quiché municipalities most affected. **Coordinadora de Asociaciones y Organizaciones de Desarrollo Integral** (CASODI) was founded in 1997 to begin the long and painful process of reconstructing civil society there. From the beginning, CASODI understood the importance of community organization and civic participation to addressing the distrust and fear the civil war had instilled. CASODI's approach over the years has been straightforward community planning and organizing in Chichicastenango. Now, with a grant from the IAF, CASODI will pursue its beneficiaries' vision of sustainable local development by incorporating economic development projects, which will also serve to strengthen and consolidate its accomplishments.

CASODI will offer training and technical assistance in agricultural methods, community-business development, investment planning and marketing. It will provide investment capital and manage a loan fund to promote job creation and support income-generating activities. CASODI will also continue to conduct training and workshops to strengthen participation in the community and municipal development councils (COCODES and COMUDES, respectively). It will expand its work to include Patitzé, a neighboring municipality. Community leaders there witnessed CASODI's effectiveness in Chichicastenango and have requested that it support their efforts to develop a municipal development plan and to encourage residents' participation in the COCODES and COMUDES consistent with the Peace Accords legislation.—*Jennifer Martínez, Foundation representative*

COURTESY CASODI



MARK CAICEDO





COGOC members and trainees prepare grapefruit for processing. The farmers' cooperative, which produces juice, jam and wine from a variety of Haitian fruit, is using its IAF award to improve its facilities and its marketing.



HAITI

Supplemental Grant

*Coordination des Groupements et
Organisations Communautaires*
(COGOC), \$47,585

COGOC will purchase specialized
equipment, conduct training in its
use, complete construction of a
food-processing facility and develop an
Internet center. (HA-200-A3)



HONDURAS

New Grants

Fundación Cosecha Sostenible Honduras (FUCOHSO), \$79,550 over three years

FUCOHSO will improve income-generation and household nutrition and protect the environment in the department of Yoro. It will form five rural savings and loan associations and pursue legal status for three producer organizations. Approximately 1,200 people will directly benefit from the activities and 870 will benefit indirectly. (HO-240)

Fundación para la Protección de Lancetilla, Punta Sal y Texiguat (PROLANSATE), \$240,000 over three years

PROLANSATE will improve the living standard and work opportunities for about 600 residents of Garifuna communities around the Bay of Tela by providing the skills training and technical assistance required to work in businesses related to ecotourism, and by strengthening grassroots organizations. (HO-241)

Comisión Acción Social Menonita (CASM), \$301,825 over three years

CASM will work with 24 communities of the department of Lempira to advance the sustainable management of the forested areas around the Campara watershed and develop natural resources to improve the living conditions and well-being of about 4,800 individuals. Another 12,000 Hondurans will indirectly benefit from the project. (HO-242)

Organización de Desarrollo Étnico Comunitario (ODECO), \$200,000 over two years

ODECO will provide training in administration, leadership and negotiation to 160 Afro-Latinos from 25 communities in Honduras, Guatemala and Nicaragua. It will also develop Afro-Honduran community tourism enterprises and related business entities. (HO-243)

Centro de Educación Vocacional Grupo Juvenil Dion (GJD), \$168,012 over two years

GJD will improve training and employment opportunities for 400 at-risk youths from Tegucigalpa and also improve the standard of living of their parents as it works toward becoming a premier training, employment and enterprise development center. (HO-244)



MARK CAICEDO



A History of Responsiveness to Community Needs

Las Lomas de Cortijo, located in metropolitan Tegucigalpa, is a poor, densely packed community whose problems include high rates of unemployment, alcohol and drug abuse, domestic violence, and gang activity. As in the rest of Honduras, residents are mostly young and inadequately educated; heads of household are disproportionately single and female.

Centro Grupo Juvenil Dion (GJD) is working in this tough environment to break the stranglehold of these negative socio-economic indicators. Its mission is to train individuals of limited resources, mainly youths, in technical areas and prepare them to join the labor force. IAF grants awarded in the 1980s and 1990s allowed GJD to construct its training center and develop its vocational training program in response to the needs of its students and the community. Notably, GJD's current director is a graduate of the organization's program and views responsiveness as a core value of the organization.

GJD will use its new grant to adapt to the changing requirements and context of the community it serves. It plans to improve training and promote employment of at-risk youths, strengthen the organization as a center for enterprise development, and improve the living standard for graduates and their families. IAF funding will be used to purchase equipment and update the facility. Through instruction and outreach, families and students will become more engaged in the education process. GJD will manage

a new investment capital fund and expand its in-kind loan fund to promote micro-enterprise formation by increasing access to these two types of credit. Through specialized training and with the aid of contractors, GJD's staff will improve their skills and develop a long-term strategic plan. The goals are a stronger organization, a stronger community, a stronger, local economy and stronger businesses launched by GJD graduates.—*John M. Reed, Foundation representative*



New Grants

Consejo Civil Mexicana para la Silvicultura Sostenible, A.C. (CCMSS), \$121,000 over two years

CCMSS will bring together water users, forest owners, NGO representatives, and local, state and federal governments to design a trust funded by fees charged for water use and by other sources. They will also manage payments to indigenous communities for environmental services throughout the watershed in the Amanalco-Valle de Bravo region. Better agro-ecological practices will improve water quality for more than 2 million users as well as the quality of life of the forest owners. (ME-483)

Ecosta Yutu Cuii, Sociedad de Solidaridad Social (Ecosta), \$34,369 for one year

Ecosta will use this planning grant to assess the successes and challenges of the communities it has worked with over the last 10 years, and, through a series of workshops, will develop plans that build on community assets and improve Ecosta's ability to coordinate technical assistance and support. (ME-484)

Centro de Atención Infantil "Piña Palmera", A.C. (Piña Palmera), \$72,268 over two years

Piña Palmera will work with individuals with disabilities to improve the skills necessary for independent living and community inclusion. The individuals, their family members and community residents will participate in training, camp, sports, rehabilitation activities and a local radio program directed at raising awareness of the challenges and capabilities of persons with disabilities. (ME-485)

Supplemental Grants

Pronatura Noreste (PNE) \$53,240

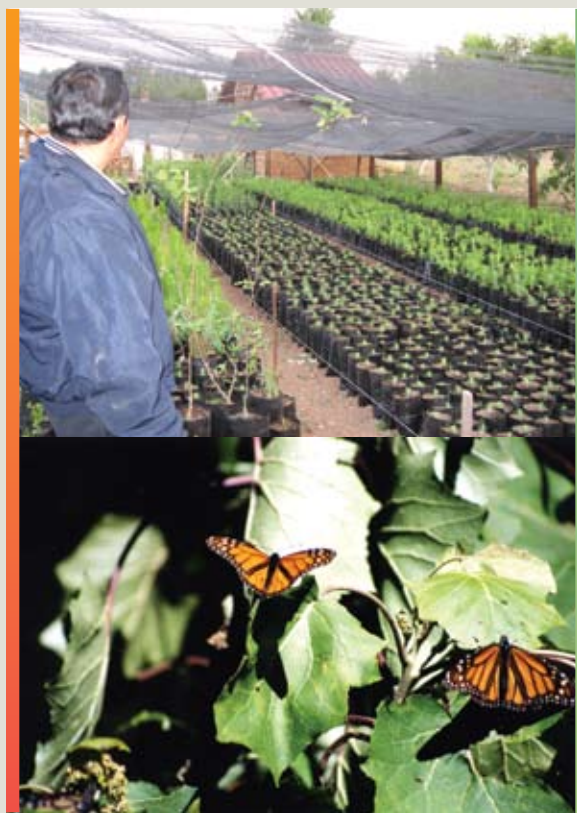
PNE will work with four businesses in Higuierillos to develop promotional materials, conduct training in gender roles and stereotypes, and streamline production. It will also coordinate with the municipality on the construction of a center for recycling garbage. (ME-469-A2)

Fundación Comunitaria de la Frontera Norte, A.C. (FCFN), \$99,875

FCFN will open a second-hand store to serve its beneficiaries and provide income to fund its operations, endowment and grant program. (ME-452-A6)

Alternare, A.C. (ALTERNARE), \$64,800

ALTERNARE will apply a plan to raise at least 10 percent of its operating costs through a series of small-business ventures. Four new community groups will improve their agro-ecological practices. (ME-457-A7)



MARCY KELLEY

JIM ADRIANCE

Reaching Consensus on Watershed Management

Indigenous and farming communities control more than half of Mexico's land and 80 percent of its forests. They have pioneered initiatives in biodiversity maintenance, carbon sequestration, eco-tourism, watershed protection and stewardship of resources. Some communities are paid by the Mexican government to manage the forests. This payment for environmental services (PES) places a value on their contribution to ensure that forest resources will be available to future generations.

Valle de Bravo, just two hours southwest of Mexico City, rises from the shores of Lake Avándaro. Surrounded by pines and mountains, it is a popular weekend destination. The Amanalco-Valle de Bravo watershed, a 77,000-hectare expanse, currently supplies water to local residents as well as to another 2 million people in Toluca, the state capital, and in metropolitan Mexico City. Silt and sediment, high levels of contamination and a marked reduction in water flow are signs of its deterioration. Since the 1970s, more than 6,600 hectares (18 percent) of the region's forests have been lost while urban zones have grown by 173 percent. In 2002, these pressures motivated concerned citizens to organize as Fondo Pro-Cuenca Valle de Bravo and work with *ejidos*, or forest communities, to address deforestation, erosion and health.

Last year, the Pro-Cuenca group approached the ***Consejo Civil Mexicano para la Silvicultura Sostenible, A.C.*** (CCMSS) about developing a PES program to manage the watershed. With IAF funding, CCMSS will convene water users, forest owners, government officials, representatives of nongovernmental organizations and others who will design a PES program financed by a trust funded with payments for water use and donations.

Normally, the Mexican PES mechanism emphasizes the protection of forest lands through payment for not using them. This project moves beyond subsidies and highlights the communities' role in the design of the PES system, its monitoring and the administration of the trust. In this vision of PES, both the *ejidos* and end-users share responsibility for applying sound environmental practices.

New municipal ordinances require all new construction in Valle de Bravo have a catchment system and septic tank with a treatment processor. Future initiatives are expected to require the use of wood certified as harvested from responsibly managed forests as well as the removal of gas engines from Lake Avándaro. This project adds to this environmental framework a mechanism that will improve living conditions for 1,400 indigenous *ejido* families throughout the watershed by compensating them for their work toward responsible forest and land management.—*Marcy Kelley, Foundation representative*



MARCY KELLEY

New Grants

Fundación para el Desarrollo Humano Sostenible (FUNDEHUSOS), \$229,200 over three years

FUNDEHUSOS will promote economic opportunity in the municipality of San Francisco Libre through the development of new businesses which it will support with access to credit, training in administration, the creation of a brand, sub-grants funding start-up costs, a new locale for four enterprises and technical assistance. (NC-270)

Fundación Luchadores Integrados al Desarrollo de la Región (LIDER), \$283,209 over two years

LIDER will promote civic organization and economic opportunity in 18 communities on the Cosigüina Peninsula by providing training and technical assistance to community groups, cooperatives and farmers; extending credit in cash and in kind; and establishing a sub-grant fund to finance community priorities identified through an IAF-supported planning process. (NC-271)

Cooperativa Agrícola de Crédito y Servicios Juan Ramón Rodríguez Pérez (CJRRP), \$330,859 over three years

CJRRP will improve the quality of life of residents of six communities in the buffer zone of the Chocoyero-El Brujo Nature Reserve by promoting the area as a tourist destination, creating economic opportunities for farmers and small-business owners, and providing training and technical assistance to the farmers and community groups. (NC-272)

Centro Promocional Cristiano por la Paz y la Vida (CPCPV), \$167,355 over three years

CPCPV will provide organizational, financial, material and technical support to local entrepreneurs, primarily women and young people, offering high-quality cultural tourism services to Nicaraguan and foreign visitors to San Ramón, Matagalpa. (NC-273)

Unión de Productores Comarcales (UPROCOM), \$34,500 over six months

UPROCOM will conduct a planning process to assist six cooperatives in constructing and operating an industrial rice-processing plant in the municipality of Cárdenas, Rivas. (NC-274)

Fundación para el Desarrollo Rural “Padre Francisco Luiz Espinoza Pineda” (FUDER), \$219,450 over three years

FUDER will provide training, technical assistance and credit to enable farmers to increase and diversify their production, develop value-added processes, improve marketing strategies, strengthen grassroots leadership organizations, and develop and administer community-based agricultural businesses. (NC-275)

Bluefields Indian and Caribbean University (BICU), \$35,000 over nine months

BICU's extension office will promote development in seven communities of the Southern Atlantic Autonomous Region by facilitating assessment and training activities for local leaders, providing assistance to organizations, creating a consolidated vision and five-year “Inter-Community Development Plan,” and identifying priority projects. (NC-276)

Asociación Alternativa para el Desarrollo Integral de las Mujeres (ADIM), \$282,012 over three years

ADIM will improve the economic well-being of female micro-entrepreneurs in the communities of Acahualinca and Diriá by providing training, technical assistance, financial services and credit to women operating small businesses. (NC-277)

Supplemental Grants

Fundación Investigación, Capacitación y Desarrollo Social (INCADESO), \$90,132

INCADESO will facilitate the formation of two new credit and savings cooperatives by providing training, technical assistance, and financial and material support to 12 existing community banking solidarity groups. (NC-257-A3)

Grupo FUNDEMOS (FUNDEMOS), \$70,998

FUNDEMOS will provide training and technical assistance to the members of four municipal development committees (MDCs) encouraging engagement with local government. It will also facilitate exchanges among the MDCs and will document and disseminate the lessons. (NC-259-A3)



MARK CAICEDO

A Triple Bottom-Line: Development, Community Empowerment and Conservation

Nicaragua is richly endowed with natural treasures, a fact celebrated in its motto, “Land of Lakes and Volcanoes.” These include Lake Nicaragua, the second largest lake in Latin America and home to the world’s only freshwater sharks, and Bosawas Biosphere Reserve, the largest tropical rain forest north of the Amazon, which was designated an International Biosphere Reserve by UNESCO in 1997. The Nicaraguan government has identified as protected many smaller areas totaling approximately 18 percent of the country’s territory.

One of Nicaragua’s 76 protected areas is the 455-acre Chocoyero-El Brujo Wildlife Refuge, in the increasingly urbanized mountains of Nicaragua’s Pacific corridor. It is a critical watershed, as it generates 20 percent the water supply for Managua, just 18 miles north, and is home to 154 plant species and 217 animal species, including the green Pacific parakeet, which nests in the refuge. Two waterfalls, El Chocoyero and El Brujo, for which the refuge was named, are among the features of its scenic beauty.

Chocoyero-El Brujo officially became a protected area in 1993, thanks to the petition of the **Cooperativa Juan Ramón Rodríguez Pérez** (CJRRP), a group of 34 farmers who had been granted title to the land through Nicaragua’s agrarian reform process. Members of the cooperative recognized the need to preserve this threatened habitat and, in 2005, the Nicaraguan Ministry of Natural Resources (MARENA) delegated co-management authority to CJRRP. This represents the first such delegation of authority to a Nicaraguan grassroots organization as well as a remarkable achievement for CJRRP. It is charged with primary responsibility for designing and implementing a sustainable resource management plan, conducting environmental education and outreach, and developing the area for ecologically-sensitive tourism.

CJRRP’s project targets a triple bottom-line by impacting economic development, community empowerment and conservation. CJRRP will invest in infrastructure and programs, to increase the refuge’s value as a tourist destination, and in marketing. It will support agricultural and ecotourism initiatives consistent with its conservation goals and will conduct environmental education and activities for 200 students, with an emphasis on creating opportunities for youths. CJRRP plans to improve production and market access for 150 farmers and businesses owned by 40 micro-entrepreneurs. Finally, the cooperative will provide technical and organizational assistance to the residents of the adjacent buffer zone in their efforts to develop a plan for monitoring environmental practices. The project will indirectly benefit more than 2,000 residents of the three participating communities and the approximately 10,000 annual visitors to the reserve.—*Philip Walsh, Foundation representative*

New Grants

Asociación Femenina Carrizaleñas Unidas (AFCU), \$54,995 for one year

AFCU's project will improve living standards and work opportunities for about 55 people in the rural township of Carrizal, province of Veraguas. Another 150 residents will benefit indirectly. (PN-284)

Club Rotario de David (Club Rotario), \$123,535 over two years

Club Rotario will improve the job skills, housing, and access to water and sanitation of the indigenous population in the Chiriquí portion of the Comarca Ngöbe Buglé. The grantee's goal is better employment possibilities and living standards for about 500 people. Another 2,500 individuals will benefit indirectly. (PN-285)

Instituto Panameño para la Promoción y Participación Ciudadana (IPPAC), \$161,105 over two years

IPPAC will develop leadership capacity, fortify organizations and consolidate civic participation at the municipal level, directly benefiting the 1,000 mainly indigenous residents of Villa María, located at the edge of Panama City. Another 2,000 individuals will benefit indirectly. (PN-286)

Supplemental Grants

Asociación para el Desarrollo del Micro y Pequeño Productor (ADEMIPP), \$59,455 over three months

ADEMIPP will provide materials and supplies, training, production opportunities and additional credit to producers adversely affected by unusually heavy rains; add a dormitory and a processing room to its multipurpose center; and begin to serve 30 additional producers. (PN-277-A1)

Asociación Programa Veragüense de Desarrollo Ecológico Sostenible (PROVERDES) \$14,950 over six months

PROVERDES will support environmental education for primary school students, organizational development training for indigenous base groups, and training in organic production and marketing for community leaders and PROVERDES' technicians. (PN-278-A1)

Asociación Programa Veragüense de Desarrollo Ecológico Sostenible (PROVERDES), \$6,300

PROVERDES will offset higher gasoline prices, per diem expenses incurred due to bad weather and the cost of combating a small-mammal infestation damaging crops, thereby ensuring continuity of its technical assistance to rural residents of the Comarca Ngöbe Buglé and the province of Veraguas. (PN-278-A2)

Asociación de Productores Agropecuario Forestal San Francisco de Asís (APAFSA), \$20,000

APAFSA will compensate for higher gasoline prices and, as a consequence, more expensive construction materials, thereby ensuring continuity of its technical assistance to residents of rural communities of Herrera. (PN-281-A1)

Better Conditions for a Panamanian Migrant Community

Residents of Villa María, in the Las Cumbres district on the outskirts of Panama City, live scattered across the hillsides that make up their community. Two distinct migrant flows converge there: Latinos from Panama's central provinces of Veraguas and Herrera, and indigenous Panamanians, mostly of Emberá origin. A relatively new enclave bordering on two of the capital's poorest *municipios*, Villa María lacks most basic public services and has few civil society organizations. Residents are victimized by criminals spilling over from neighboring communities and are ignored by government officials. Understandably, they would like to turn the community around.

To this end, they have sought guidance from, and forged a relationship with, ***Instituto Panameño para la Promoción y Participación Ciudadana*** (IPPAC) whose mission is to promote development through civic action. IPPAC encourages participatory practices and creates partnerships among social sectors through education, training, research, dissemination and technical assistance.

IPPAC proposes to use its IAF funding to help Villa María by preparing leaders capable of designing development, strategic, operational and other organizational plans. Its program will further coordination with mayors and other local authorities and will assist community groups in filing for legal status. IPPAC will organize workshops and exchanges to improve communication and business skills, assist indigenous residents in understanding laws applicable to them, and prepare local groups to provide training to similar organizations. Revitalized local committees are expected to develop proposals to address community needs and mobilize new resources to improve living conditions in poor neighborhoods.

—John M. Reed, Foundation representative



New Grants

Asociación para el Desarrollo–SISAY (SISAY), \$30,000 over six months

SISAY will analyze existing lines of ceramics, textiles and “reverse” painted glass, conduct a marketing study and identify the services that the artisans require. It will also generate a business plan for a resource center focused on craft design and technology. (PU-538)

CooperAcción, \$252,325 over two years

CooperAcción will work with 15 district municipalities in the provinces of Barranca and Huaura in the north of the Lima region and with various nongovernmental organizations and producer groups on local development plans and their respective participatory budgets. The grantee will compile an integrated data base for both provinces and create an ecological economic zone to demonstrate how the participatory process can guide sustainable development in a specific geographic area. (PU-539)

Centro de Estudios para el Desarrollo Regional (CEDER), \$240,000 over three years

CEDER, through a cooperative agreement with the IAF, will launch a local development fund enabling grassroots organizations to undertake initiatives that enhance productivity, economic opportunities and the viability of micro-enterprises, and promote broader participation in economic development programs in Arequipa, Moquegua and Puno. (PU-540)

Asociación Museo Comunitario de Pisac (AMUCOP), \$194,700 over two years

AMUCOP will coordinate with 12 participating indigenous communities and the local municipal government to complete construction of Peru’s first community museum in the district of Pisac and begin operations. (PU-541)

Agenda Sur de Ayacucho (Agenda Sur), \$116,045 over two years

Agenda Sur will collaborate with approximately 40 indigenous farmers in the highland community of Catalinayocc on an enterprise to process essential oil and aromatic herbs. (PU-542)

Desarrollo Integral de la Mujer en la Sociedad Andina del Perú (DEIMUS), \$149,600 over two years

DEIMUS will construct and operate two pilot training centers with space for workshops, demonstrations, practice plots, livestock corrals, processing areas and meeting rooms for approximately 200 individuals with physical disabilities. The centers are planned for the municipalities of Tambo and Chuschi. (PU-543)

Instituto de Medio Ambiente y Género para el Desarrollo (IMAGEN), \$360,450 over three years

IMAGEN will provide training, technical assistance and resources to improve women-led agro-businesses that cultivate certified organic aromatic and medicinal Andean plants and process them into products for domestic and international markets. Approximately 350 individuals in Cusco’s Paruro province will directly benefit. (PU-544)

Supplemental Grants

Producción y Capacitación de Artesanía Ayacuchana (PROCAYA), \$66,680

PROCAYA will complete the construction of a sales outlet in Cusco and initiate an in-kind credit fund to increase the income and well-being of 75 artisans producing wool and alpaca tapestries. (PU-514-A3)

ALTERNATIVA Centro de Investigación Social y Educación Popular (ALTERNATIVA), \$107,360

ALTERNATIVA will continue training employees of municipalities in metropolitan Lima in participatory development, will evaluate its accomplishments and will host a national symposium on civic participation. (PU-524-A3)

Estrategias para el Desarrollo Internacional (SID-Perú), \$99,495

SID-Perú will provide additional training as well as technical and financial assistance to a consortium of six municipal districts expanding initiatives included in their local development plans, which are expected to directly benefit 1,160 families. (PU-523-A4)



WILBUR WRIGHT

Instituto Promoción y Desarrollo Agrario
(IPDA), \$117,540

IPDA will administer two in-kind sub-grant funds, financed by the municipality of Lima, intended to increase the number of the farm families participating in the project and expand their production. (PU-526-A1)

Centro de Investigación, Capacitación, Asesoría y Promoción (CICAP), \$17,325

CICAP will expand a small warehouse into a model multi-purpose building constructed from bamboo. Funds will also cover increased fuel costs and modifications to vehicles used in bamboo transport. (PU-528-A1)

The Organic Route to Markets

In Paruro, the poorest highland province of Cusco, rural women are leading the effort to gain access to new markets and create new economic opportunities for their families. Once ignored as potential income producers, these women are using their knowledge of aromatic and medicinal plants to launch a business.

The women began the journey several years earlier with training and technical and financial support from the ***Instituto de Medio Ambiente y Género para el Desarrollo*** (IMAGEN). A grassroots support organization based in Cusco, IMAGEN began working with women's groups at the invitation of the mayors of four communities. They asked IMAGEN to introduce organic farming practices and ways to increase the value of the plants traditionally grown for use as condiments, flavorings and natural remedies. Initial activities organized the women into production groups and trained them in organic farming and more efficient drying and storage of the harvested plants. Their success prompted women to consider the full potential of the new practices and to explore processing the plants and marketing the products. Once again they turned to IMAGEN for the myriad services required to make their dreams a reality, and IMAGEN turned to the IAF.

IMAGEN's project has four sequential components. The first ensures that all the plants harvested from the women's plots are certified as organically grown. The second is the transformation of the harvested plants through drying, distilling or grinding into active ingredients for aromatic teas, lotions, essential oils, balms and shampoos. This will take place in a facility constructed to meet Peruvian and international standards. The third and crucial component of the project is the development of a marketing strategy that includes product design and packaging, a market study, an advertising campaign and initiating sales contacts in both domestic and international markets. The final component, essential to the project's sustainability, is the formation of Asociación de Productoras de Plantas Aromaticas y Medicinales Andinas de Paccaretambo (ASPROPMAT), an organization bringing together all the production groups. The processing facility will draw its management from ASPROPAT's approximately 350 women. The team will receive training in business management, organizational leadership and operating procedures, before taking control.

The project will also generate attractive job opportunities for area youths who presently find few incentives to further their studies or stay in their communities. IMAGEN will create an educational fund to cover the costs of specialized technical instruction offered in technical institutes and universities or through internships at other enterprises making organic food products. Upon completion of the training, the young people will be able to apply their new skills in one of the project areas.

The result of this three-year grant to IMAGEN will be a viable women-operated enterprise providing jobs, significant revenue and rewarding livelihoods in a remote region whose residents have felt only doubt, uncertainty and little optimism about the future.—Wilbur Wright, Foundation representative

RedEAmérica, the Inter-American Network of Corporate Foundations and Actions for Grassroots Development, an IAF initiative launched in 2002, is a business-sector alliance committed to supporting grassroots development in the Americas. It has grown from 12 member institutions to 55. Advances in fiscal 2007 included contracting an executive director, headquartered in Bogotá and partially funded from dues assessed to the members. The executive director is charged with expanding training programs, improving communication among members and mobilizing resources.

The network invests in grassroots development in several ways. Under cooperative agreements with the IAF, RedEAmérica members support self-help projects proposed by community organizations. Using their own resources or resources mobilized, members are required to double the IAF's contribution and to assume the cost of administering their sub-grants. In fiscal 2007, member contributions totaled \$2,241,172.

Additionally, RedEAmérica members have come together in sub-networks to create country-wide funds. In 2007, the Argentine and Colombian members reported increasing their respective funds by 100 percent. RedEAmérica has proposed a five-year project to the Inter-American Development Bank to be funded with an IDB grant of \$4.2 million and \$3.8 million in matching contributions from members in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico and Peru. IAF's investment in RedEAmérica was important to the advancement of this proposal.—*Juanita Roca, Foundation representative*

New Cooperative Agreements

Corporación Consorcio para el Desarrollo Comunitario (Consorcio), \$388,000 over two years

Consorcio will support the launch of RedEAmérica's executive directorate, develop and apply a strategy for expanding training programs, improve communication among members and prepare RedEAmérica's information system for use in mobilizing resources for grassroots development. (CO-507/CP-026)

Corporación Transparencia por Colombia (Transparencia), \$150,000 over three years

Transparencia, with support from RedEAmérica members Fundación Corona and AVINA, will provide small grants of up to \$20,000, training and other support to organizations encouraging the participation of community residents in oversight of government agencies and in public discussions of issues that directly affect their lives. (CO-511/CP-027)

Instituto de Ciudadanía Empresarial (ICE), \$360,000 over three years.

In coordination with RedEAmérica's sub-network of Brazilian members, ICE will develop a country-wide program of small grants, training and other support for self-help projects. (BR-840/CP-029)

Cooperative Agreement Amendments

Fundación Arcor (FUNARCOR), \$233,750

FUNARCOR and its partners will increase support for self-help development projects through the Educational Opportunities Fund, which includes contributions from FUNARCOR, Antorchas, Acindar, Navarro Viola and parent company Grupo Arcor toward assisting at-risk children, and through the Argentina-wide fund supporting other grassroots development projects, to which all Argentine RedEAmérica members contribute. (AR-332/CP-003-A4)

Corporación Consorcio para el Desarrollo Comunitario (Consorcio), \$298,594

Consorcio and its partners will increase the Colombia-wide fund to offer more support to community organizations and will share ways to further grassroots development with other RedEAmérica members in workshops and conferences. (CO-498/CP-010-A4)

EVALUATION

The Office of Evaluation monitors and audits IAF-funded projects during the grant period and evaluates completed projects. IAF grantees report progress according to indicators of effective development selected from the Grassroots Development Framework (GDF), the IAF's data collection tool. Data reported are verified by professionals contracted in country to review files, interview managers and beneficiaries and inspect infrastructure. In fiscal 2007, the office revised the GDF to include indicators of intangible results of IAF-funded projects and guidelines for their use.

IAF auditors contracted in-country conducted orientation visits to all 55 new grantees, reviewing with them a new accounting guide and a list of "do's and don'ts" to observe for sound management of IAF funds and successful financial audits. Out of 150 audit reports reviewed in fiscal 2007, 88 percent had no significant issues.

In fiscal 2007, the Getúlio Vargas Foundation, a Brazilian research institution, completed its in-depth evaluations of 11 microcredit initiatives in Mexico, Nicaragua and Peru, whose IAF funding had ended in fiscal 2003 and 2004. A discussion of the findings, drawn from grantee files, reports and audits as well as site visits and interviews, was scheduled with IAF staff. The Getúlio Vargas Foundation, now in the final phase of its five-year contract with the IAF, also prepared to evaluate the sustainability of nongovernmental organizations in Brazil.—*Emilia Rodríguez-Stein, director, Office of Evaluation*

Results Highlights

Data gathered in the 12-month period ending in March 2007 revealed the following results of IAF's investment in grassroots development:

- More than 12,500 beneficiaries improved their diet and their health.
- More than 28,000 beneficiaries received medical attention.
- Close to 3,000 individuals benefited from access to clean water.
- More than 3,200 individuals benefited from trash removal operations.
- IAF grantees helped beneficiaries improve 1,200 homes.
- Registration in courses, workshops and seminars counted more than 96,000 individuals in finance, including loan management; approximately 30,000 in agriculture; and close to 9,000 in environment-related topics.
- IAF-funded activities created 5,400 full-time and 840 part-time permanent positions and 2,000 full-time and 1,700 part-time seasonal positions.
- More than 1,600 organizations cooperated with IAF grantees.
- Of the 608 organizations working in partnership with IAF grantees, 259 became partners during the reporting year.
- Grantees mobilized \$3.6 million and brokered another \$800,000 for project activities.
- IAF grantees extended more than 310,000 loans averaging \$430 each, 92 percent of which were for business development.

DISSEMINATION

The IAF shares its experience and approach with a broad and diverse audience through publications, news releases, and its Web site.

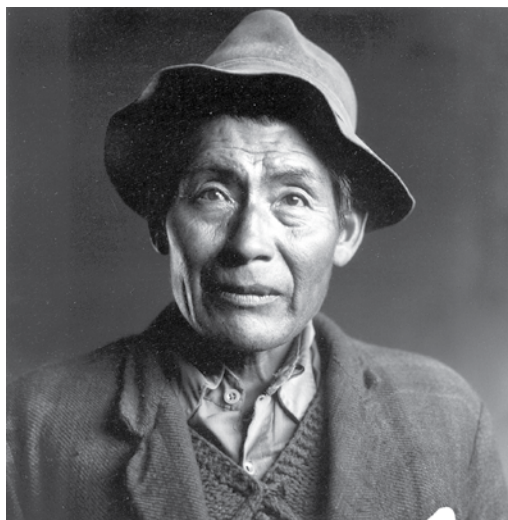
Publications

The Office of Operations produces and distributes the IAF's publications and news releases and maintains its Web site. In fiscal 2007, English and Spanish versions of the annual report and the IAF's journal *Grassroots Development* were printed in English and Spanish, distributed and, with Portuguese versions, posted on the Web site.

In features, articles, notes and reviews of publications and films, *Grassroots Development* for 2007 focused on the concerns of African descendants from throughout the hemisphere as well as examples of self-help initiatives. The journal also included a feature on indigenous Mexicans in community forest management, a photo essay on indigenous Peruvian textile workers and a review of a book on the indigenous movement in Bolivia. Shorter notes covered disability activism, youth programs in Central America and the advancement of women in a Salvadoran organization.

The enthusiastic reception included a request from the library of the University of Illinois at Urbana-Champaign for 50 copies to accompany exhibits in small-town libraries. "I've received your recent issue, and it is outstanding," wrote librarian Nelly Gonzales.

"Its focus on African Descendants and Development provides new insight into this silent minority of the region." Professor Rolando Costa Picazo of the Universidad de Buenos Aires wrote, "I found the coverage of the Afro-Argentines particularly valuable, quite comprehensive



Miguel Sayago's photos documenting IAF's work were displayed at the Chilean Embassy in April.

and first rate. Congratulations to you and all collaborators for a first-class journal." The Spanish version of *Grassroots Development* 2007 went into a second printing.

An unanticipated demand depleted the English version of *Grassroots Development* 2006 and it was reprinted for future distribution. The Colombian journal *Economía y Desarrollo* requested permission to translate and publish Albert Hirschman's article "The Principle of Conservation and Mutation of Social Energy" from *Grassroots Development* 1983. Patrick Breslin, former IAF vice president for external affairs, spoke on his article "Thinking Outside Newton's Box" from *Grassroots Development* 2004 at a faculty seminar at the Center of Excellence of the University of Kyoto, Japan.

IAF distributed three newsletters electronically to more than 3,000 subscribers and posted them on the Web site. News releases were distributed as appropriate. As a result of this outreach, a Corpus Christi television station interviewed the IAF representative accompanying a Honduran delegation visiting in April and the IAF was cited in the June 17 *Miami Herald* in "Latin American governments move against long-entrenched racism." Finally, IAF's brochure was updated, redesigned and printed three languages.

www.iaf.gov

IAF's Web site is constantly updated with new publications, news releases, announcements of special events and information on IAF programs, all accessible in English, Spanish and Portuguese and in graphic or text format. In 2007, the IAF's site received 59,500 visits a month which translates into nearly 2,000 daily. The IAF began the redesign of its Web site through the U.S. Government Printing Office to more effectively convey its message by bringing new information to the home page and including a search engine.



F E L L O W S H I P S

The revival of IAF's Fellowship Program, dedicated to increasing the community of specialists in grassroots development in Latin America and the Caribbean, is a critical element of the IAF's Strategic Plan. The IAF is the only institution that funds research targeting grassroots development in Latin America and the Caribbean; researchers work with practitioners, communities and institutions on a broad range of issues related to grassroots initiatives. During its 26-year operation before its suspension in 1999, the program supported nearly 1,000 Fellows whose ranks include many now at the forefront of applied development scholarship.

In 2007, the Inter-American Foundation revived the component of the program funding Ph.D. dissertation research by students who have advanced to candidacy at U.S. universities. The IAF has contracted the Institute for International Education to manage the competition and administer the Fellowships. On the strength of their academic record, their proposals and their potential contribution to grassroots development, 11 Grassroots Development Fellows were selected for the 2007-2008 cycle. All U.S. citizens except as noted, they will research the following topics:

- Fatimah Elizabeth Castro, Rutgers University, Afro-Colombian organization;
- María Agustina Giraudy, Argentine citizen, University of North Carolina, local government in Argentina and Mexico;
- Christine Marie Lucas, University of Florida, management of resources on the Brazilian Amazon;
- Mason Clay Mathews, University of Florida, social networks in Amazonia, Brazil;
- Doris Graziela Navarro, Brazilian citizen, Indiana University, farmer cooperation in Brazil's Amazon region;
- Susan Emily Qashu, University of Arizona, Chilean fishing communities;
- Diana Santillán, George Washington University, the use of the radio to promote beneficial health practices in Peru;
- Lynn Marie Selby, University of Texas-Austin, the impact of a community health center on women in Haiti;
- Marissa L. Smith, Arizona State University, land use in Oaxaca, Mexico;
- Teresa Angélica Velásquez, University of Texas-Austin, attitudes toward mining in Ecuadorian communities;
- Marygold Walsh-Dilley, Cornell University, social responses to technological change in Bolivia.

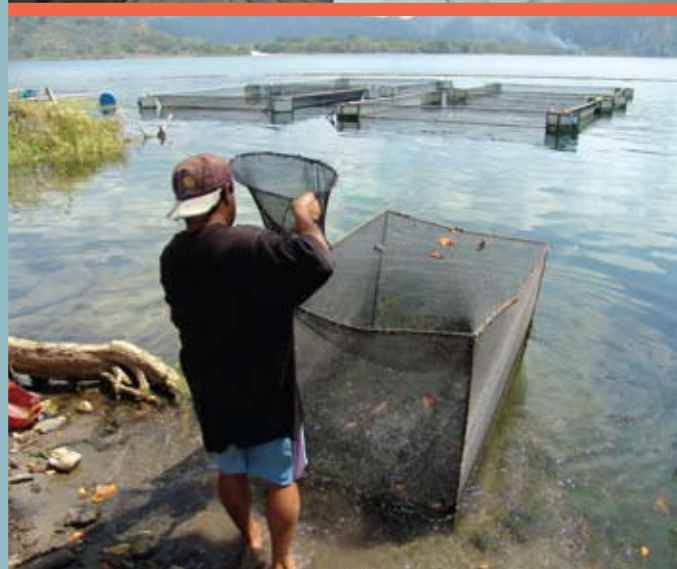
For complete information on the Grassroots Development Fellowships, visit www.iie.org/iaf.

CONFERENCE AND EVENT HIGHLIGHTS

IAF representatives are encouraged to share their experience and expertise with development and foreign affairs professionals, scholars and researchers in a range of venues. In addition to grantee exchanges, the IAF supported the participation of academics, local officials, grantee staff, beneficiaries and others in events related to grassroots development. In 2007, travel grantees numbered 520 individuals mainly representing groups with a history of exclusion: indigenous communities, youth, persons with disabilities and African descendants.

Grantee Exchanges

Staff from Argentina's Fundación Vida Silvestre learned about environmental protection from Brazil's Instituto de Pesquisas Ecológicas. Fundación Barú beneficiaries and staff traveled from Panama to Colombia to learn the latest techniques for producing bamboo and making and marketing bamboo crafts. A team from Escuela de Ciudadaneía and representatives of Quito's sport leagues visited leagues in Paraguay and Bolivia and Argentine IAF grantee Defensores del Chaco to learn how sports can further civic participation. A member of the American Chamber of Commerce in the Dominican Republic visited Federação das Industrias do Estado do Rio de Janeiro (FIRJAN) to learn about corporate social responsibility and corporate funding for development projects. Representatives of Nicaraguan grantee Movimiento por la Paz, Acción Forestal y el Medio Ambiente visited three Salvadoran IAF grantees to learn new agricultural and marketing practices and techniques for farming tilapia.



SEAN SPRAGUE

FIRJAN project, above, and a Salvadoran tilapia farm.

Latin American Studies Association

An IAF grant supported the participation of 20 Latin American scholars in *LASA's XXVII International Congress* held Sept. 5-8 in Montréal. Kevin Healy, IAF representative for Bolivia and Colombia, organized and spoke on the panel *Refounding the Republic: The Grassroots Change Processes of Social Reform and the Constituent Assembly in Bolivia (2006-2007)* to which representatives of current and former IAF grantees contributed. Judith Morrison, IAF regional director for South America and the Caribbean, was among

the panelists discussing *(Re)Imagining Latin America and What it means to be "Latin American" Today*. Funded by the IAF, the Ford Foundation, the Open Society Institute and Harvard University, six teams consisting of Latin American and U.S. researchers paired with indigenous and African descendent grassroots workers shared the findings of their collaborative studies at sessions of *Otros Saberes I and II*. The teams remained in Montréal following the congress to discuss research methodology.



HEIDI SMITH

Otros Saberes researchers and LASA officers

MARK CAICEDO



COURTESY ASUR



Kevin Healy with Bernardo Apaza who spoke of El Ceibo's experience in developing a farmer-managed chocolate industry from the grassroots.

Indigenous Peoples

IAF travel grantee Bernardo Apaza, former marketing manager of IAF Bolivian 1990s grantee El Ceibo (a federation of cooperatives producing cacao and chocolate) and now of Asociación de Organizaciones Productores Ecológicos de Bolivia (AOPEB), and Kevin Healy, IAF representative for Bolivia and Colombia, participated in *Indigenous Peoples and Economic Opportunity in Latin America*, a conference cosponsored by the World Bank at Georgetown University. Healy spoke on Bolivian political and social processes at the National Museum of the American Indian; at a conference on Andean democracy at George Washington University; and at St. Joseph's College in Philadelphia. He commented on panelists' papers on indigenous peoples and development at the Human Capability and Development Association's conference held in New York's New School and participated in a two-day meeting on Andean drug policy sponsored by the Guggenheim Foundation in New York. Finally, in September National Public Radio broadcast an interview with Healy on Bolivian protests over the location of the seat of government.

Youth

The IAF supported the participation of 35 representatives of civil society, IAF grantees, government officials and former gang members from four countries at the April *Central American Coalition for the Prevention of Youth Violence workshop* in San Salvador.



Persons with Disabilities

The IAF sponsored 20 activists at the *Inter-American Conference for the Rights and Dignity of Persons with Disabilities* held in Panama City, June 3-5. Vivian Torrijos, first lady of Panama, and Lenin Moreno, vice president of Ecuador, opened the event organized by Panama's Secretaría Nacional para la Integración de Personas con Discapacidad and the Organization of American States. Following the conference, the activists held the *Third Annual Meeting of the Red Latinoamericana de Organizaciones No Gubernamentales de Personas con Discapacidad y Sus Familias* (RIDADIS). The IAF, UNICEF and the Honduran Congress co-sponsored the July 9-16 *General Assembly of Disabled Peoples International* for activists from Latin America and the Caribbean. Eduardo Rodríguez-Frías represented the IAF at all these events.

Transnational Development

Grantee representatives and Jill Wheeler, IAF regional director for Mexico and Central America, shared their experiences working in grassroots development at the *Binational Convention of the Consejo de Federaciones Mexicanas en Norte America* (COFEM), the largest gathering of Mexican hometown clubs and federations in the U.S. Convention participants included representatives of 400 hometown clubs and 16 federations. Representatives from grantees Asociación Mexicana de Uniones de Crédito del Sector Social, Migración y Desarrollo and Fundación para la Productividad en el Campo discussed income-generating projects, microfinance and economic development. Wheeler also spoke at *Transnational Migration, Economic and Social Policy*, a COFEM conference that took place in the Washington Center of the University of California, and at *Investing in Latin America: Impact on Both Sides of the Border*, a symposium sponsored by Hispanics in Philanthropy in New York City. Marcy Kelley, IAF representative for Mexico, and several grantees from Mexico and El Salvador participated in the *First Latin American Migrant Community Summit* in Morelia, Mexico. Community and migrant leaders shared knowledge and ideas about how to make migrant remittances a more effective tool for supporting equitable and sustainable local development.

African Descendants

The IAF continues to be one of the leading development institutions supporting the efforts of African descendants in the Americas to network, offer perspectives and share concerns that include economic disparities and social exclusion. During fiscal 2007, the IAF included a focus on African descendants in its journal and undertook a full calendar of activities that included the following:

African Descendants and the Summit Process, a series of workshops co-sponsored with the OAS and Global Rights in Nicaragua, Colombia, Brazil and Uruguay, where some 200 participants developed recommendations and an anti-discrimination declaration for the OAS General Assembly;



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the *African Descendent Regional Forum*, co-sponsored with Global Rights and the Centro de Mujer Panameña, where some 50 government and civil society representatives engaged OAS Secretary General Insulza;

Re-Defining African American: What's At Stake? The Status of Afro Latino Communities, organized by the Global Afro Latino and Caribbean Initiative (GALCI) of Hunter College in collaboration with the Franklin H. Williams African Diaspora Institute, the Caribbean Cultural Center of New York and the Schomburg Center for Research in Black Culture;

the *Barlovento Group's workshop* in Ecuador, which brought together academics and activists from 10 Latin-American countries to finalize for use in schools and universities materials on the history and culture of African descendent communities in Spanish-speaking South America;

Beyond Visibility: Rethinking the African Diaspora in Latin America, co-sponsored with the University of California at Berkeley and the Andrew Mellon Foundation, where 200 participants heard graduate students present 18 juried research papers on the African Diaspora in Latin America;

Advancing Equity: Putting Policies into Practice, a conference on equality in the Americas, co-sponsored with the Inter-American Development Bank, to which IAF staff and grantee representatives contributed as panelists, participants and authors of chapters in the IDB's publication by the same name;

The National Council of La Raza's annual conference, where grantee representatives and other African descendants spoke on cultural identity and leadership;



the *Décima Conferencia Regional sobre la Mujer de América Latina y el Caribe*, sponsored by the United Nations in Ecuador and attended by representatives of the Red de Mujeres Afro Latinas, Caribeñas y de la Diáspora;

the *annual meeting of the Red de Mujeres Afro Latinas, Caribeñas y de la Diáspora* in Ecuador attended by 30 African descendent women leaders.

Additionally, at the *IV Inter-American Conference on Corporate Social Responsibility*, sponsored by the Inter-American Development Bank, the IAF and the ETHOS Institute, and hosted by the Federação das Indústrias do Estado da Bahia in Salvador, Brazil, the IAF showcased grantees that engage in business partnerships with indigenous peoples, persons with disabilities and African descendants in Bolivia, Chile and Brazil.—Eduardo Rodríguez-Frías, operations assistant



Ambassador Larry Palmer, and IAF representative John Reed (third from right), met with Honduran officials and NGO representatives interested in opportunity zones.



Vice President Eduardo Stein of Guatemala, center, flanked by, from the left, John Haines of HUD and Michael Morales, Susan Wilder and Maria Noel, officials from renewal communities in the United States, who helped explain the HUD model.

HEIDI SMITH

Opportunity Zones

The Opportunity Zones initiative offers an operational model for economic development and activities related to housing, education, sanitation and health care. As initially advanced to the White House by the IAF, the concept, inspired by the “renewal communities” model developed at the U.S. Department of Housing and Urban Development (HUD), refers to self-defined areas that bring together local government, business and civil society to promote economic development through tax incentives, training and technical assistance. Underlying this is the notion that communities can organize for development, given the proper conditions and incentives, and that the federal government can play a supporting role.

President Bush proposed the introduction of Opportunity Zones at the 2005 Summit of the Americas and it became incorporated into the Summit mandate. In preparation for the 2009 Summit of the Americas, the IAF was charged with soliciting HUD’s assistance in explaining the regulatory environment that makes Opportunity Zones work, arranging for Latin American delegations to visit selected “renewal communities” in the U.S. and considering relevant proposals for grassroots development grants.

An unusual interagency collaboration emerged involving IAF, HUD and the Department of State. By the close of fiscal 2007, IAF had supported a program of visits by delegations from Argentina, Honduras, Guatemala and Nicaragua to U.S. renewal communities. Representatives of three U.S. hosts, HUD and the IAF later visited an incipient zone initiative in Atitlán, Guatemala. The IAF received proposals for comprehensive community development activities from organizations in Argentina, Nicaragua and Guatemala, and the Honduran government developed a vetting process with representatives of Honduran civil society.

Opportunity Zones were a theme of the 2007 Inter-American Conference of Mayors, which featured a comparison of a similar initiative in northern Brazil and the 25-year “renewal community” experience of Chattanooga. The Organization of American States has called for channeling government social investment funds to support community development, including on the Opportunity Zone model. HUD is preparing a study on U.S. community development corporations for dissemination to developing countries.

The Opportunity Zones initiative has brought forth the untold history of community development in the U.S. Applied in the Latin American context, it could put various levels of government in service to community development and open space for participation by businesses and civic organizations. As a development initiative, it connects directly with hemisphere-wide mandates for decentralization, reform and the incorporation of disadvantaged citizens into economic and political life, thereby promoting democracy at the grassroots.—Ramón Daubón, vice president, Office of External Affairs

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